

MIRANT COMMUNITY MONITORING GROUP (MCMG) MEETING



AGENDA

**Monday, April 3, 2006
Room: 2000, City Hall, 301 King Street
5:30 P.M.**

- 5:30 INTRODUCTION OF MCMG MEMBERS AND ATTENDEES**
- 5:40 STATUS OVERVIEW /MIRANT ISSUES AND UPDATES:**
Ignacio Pessoa, City Attorney
 - **LEGAL**
 - **FERC/DOE**
 - **FAA**
- 6:00 CITY'S MEETING WITH EPA AND VDEQ (MARCH 7, 2006)**
William Skrabak, Division Chief, T&ES
- 6:10 MODELING RESULTS: CURRENT OPERATING SCENARIO**
Maureen Barrett, P.E., City Consultant
- 6:15 MIRANT'S FACILITY OPERATIONS:**
 - **EXISTING OPERATIONAL STATUS**
 - **FUTURE OPERATIONAL STATUS AND PERMITS**Mike Dowd, Enforcement Manager, and other VDEQ Staff
- 6:30 DISCUSSION: MCMG MEMBERS**
- 7:00 MEETING ADJOURNED**

Handouts:

Issues Tracking Matrix

Recent Correspondence with EPA and VDEQ, and News Articles



DEPARTMENT OF TRANSPORTATION
AND ENVIRONMENTAL SERVICES

P. O. Box 178 – City Hall
Alexandria, Virginia 22313

alexandriava.gov

March 17, 2006

Judith M. Katz
Director, Air Protection Division
U.S. EPA Region 3
1650 Arch Street
Philadelphia, PA 19103

**Re: Mirant's Potomac River Generating Station
City of Alexandria, Virginia**

Dear Ms. Katz:

The City of Alexandria appreciates the opportunity to meet with EPA Region 3 and representatives from Virginia Department of Environmental Quality (VDEQ) at your offices in Philadelphia on Tuesday, March 7, 2006. We believe this meeting accomplished our primary objective of holding an open discussion with EPA and VDEQ to help us understand the positions of the two regulatory agencies. As a follow up to our meeting, we submit the following comments for your immediate consideration.

It is of utmost importance to the City of Alexandria and its residents that any future operation of Mirant's Potomac River Generating Station (PRGS), if at all allowed, must be in compliance with all applicable environmental regulations. The analyses undertaken by the City to date, of both the complete unrestricted operation of the PRGS as well as PRGS' proposed operation under Options A and B as outlined in their plan submitted to the U.S. Department of Energy (DOE), clearly show that National Ambient Air Quality Standards (NAAQS) will NOT be protected. We urge EPA Region 3 and VDEQ to take immediate steps to rectify this situation.

- Enforcement of PM-2.5 NAAQS: Emissions of PM-2.5 from the PRGS, both primary and secondary, are now and have always been of utmost concern to the residents of the City of Alexandria. The City and Community are extremely concerned to hear from EPA and VDEQ that no analyses have been conducted to date by either agency to address this pollutant for which NAAQS were first established by EPA in 1997, re-established in 2004 upon court decision upholding the 1997 standards, and adopted by VDEQ in 2004 under Regulation 9 VAC 5-30-65. In response to your explanation that VDEQ does not currently have a PM-2.5 State Implementation Plan (SIP), we would like to point out that even though VDEQ also

does not have an SO₂ SIP, EPA has chosen to enforce the SO₂ NAAQS because, as you said, there is an imminent and substantial endangerment to health. We believe that PM-2.5 presents the same danger to public health. The modeling performed by the City indicates that PM-2.5 impacts due to PRGS' emissions are in gross violation of the NAAQS, even when modeling only primary PM-2.5 emissions from PRGS and not including secondary PM-2.5 emissions or emissions from other nearby sources. See attached Table 1. We urge EPA and VDEQ to model the PM-2.5 emissions from PRGS and evaluate the resulting impacts, keeping in mind that the plant is located in a non-attainment area for PM-2.5. All the PM-2.5 related latest medical research and publications, including various PM-2.5 related research articles published in JAMA (Journal of American Medical Association) clearly indicates adverse health impacts from PM-2.5 short and long term exposures in any levels that exceed Ambient Air Quality Standards. The City urges EPA that known single source contributors (in this case Mirant Potomac Plant) that is causing and contributing to local exceedances, because of downwash (not a regional non compliance), of these standards should not be overlooked or given a pass by the regulatory agency such as EPA at the expense of the public health of the neighbors of this facility.

- Emissions of PM-2.5: As you explained, VDEQ must prepare and submit a SIP for PM-2.5 by April 2008 (pursuant to Section 110 of the Clean Air Act). Section 114(a)(1)(D) of the CAA authorizes EPA to require Mirant to conduct emissions sampling for PM-2.5 in order to assist in the development of the SIP, while Section 114(a)(2)(B) authorizes EPA to perform this sampling itself. Furthermore, Section 114(b)(2) authorizes EPA to carryout these duties even if EPA has delegated this authority to a State agency under Section 114(b)(1). The Metropolitan Washington Air Quality Committee (MWAQC), the entity certified by the mayor of the District of Columbia and the governors of Maryland and Virginia to prepare an air quality plan for the DC-MD-VA Metropolitan Statistical Area under Section 174 of the federal Clean Air Act Amendments of 1990 is currently preparing baseline PM-2.5 inventory with deliverable date of September 2006. Therefore it is appropriate and timely to require Mirant to conduct PM-2.5 emissions sampling now so that it can be addressed in SIP which is due in 2008. The City urges EPA to require Mirant to perform emissions testing for PM-2.5 using an approved test protocol. The tests must include emissions sampling before and after the control device (i.e., ESP), and with and without trona injection. The tests should include monitoring of the appropriate boiler and ESP operating parameters that are necessary to verify ESP performance . In addition to supporting SIP development, these tests will provide PM-2.5 emissions data for EPA to use in dispersion modeling and serve to resolve whether trona injection will result in an increase in PM-2.5 emissions.
- Roles and Responsibilities of EPA and VDEQ: We understand from the discussions at the meeting that VDEQ has the primary responsibility to obtain, review and approve dispersion modeling analyses conducted by the PRGS. However, we have found that to date the process of obtaining, reviewing and approving these modeling analyses has lacked transparency. For example, we find that PRGS has submitted modeling analyses without having an approved modeling protocol, PRGS has

initiated operation of the facility under the modeled scenario(s) without first securing VDEQ approval, EPA and VDEQ have internally reviewed and concurred with the modeling analyses without opportunity for public comment, and there has been no written correspondence to our knowledge from either VDEQ or EPA indicating their approval. We understand that DOE has deferred to EPA to make a determination of whether PRGS' proposed Option A, under which DOE has authorized PRGS to operate, complies with the NAAQS. It appears from the discussions during the March 7 meeting that EPA and VDEQ have discussed PRGS' modeling of Option A and are comfortable that this option complies with the NAAQS. Yet, to our knowledge, there is no written correspondence indicating EPA's and VDEQ's approval. The modeling conducted by the City for Option A shows that it will NOT comply with the NAAQS (see attached Table 2). As the stakeholder directly responsible to the residents of Alexandria, having a local Air Pollution Program that includes operating a network monitoring station, we request that the City be involved in the review and approval process and be invited to participate in any discussions between EPA and VDEQ regarding the modeling of PRGS' emissions. We also request that any comments on, and any approval of, the modeling analyses be presented in writing and a copy be sent to the City. Furthermore, we request that the City be made a party to the discussions between EPA and DOE regarding NAAQS compliance demonstrations for any operating scenarios under which PRGS is authorized or ordered to operate.

- EPA's Letter to Mirant Dated December 22, 2005: This is regarding the letter you sent to Mirant stating EPA's conclusion that, despite VDEQ's directive to do so, Mirant did not "immediately undertake ... action" in August 2005 to protect human health and environment after demonstrating violations of the NAAQS for SO₂, NO₂ and PM-10. First, we are deeply concerned that the City was never informed by EPA or VDEQ of this letter. Second, while you referred to this letter during the meeting as a Notice of Violation (NOV), neither do we find the term "NOV" used in the letter nor do we see the compliance, penalty and civil action provisions required under CAA Sections 113(a)(1)(A), (B) and (C) included in the letter. This is in stark contrast to the NOV you issued to Mirant on January 22, 2004. You said during the meeting that EPA and VDEQ are currently in negotiations with Mirant regarding a possible settlement agreement (related to violations of SO₂, NO₂ and PM-10 NAAQS) to ensure that the NAAQS are protected. You also mentioned during the meeting that EPA's primary focus was on SO₂. While we are pleased that EPA has initiated such action, to date the City has not been privy to any of these negotiations. We request that the City be allowed to participate in the settlement proceedings. We also request EPA to ensure that any agreements reached with Mirant do not exacerbate the air quality problems associated with other air pollutants including, but not limited to, PM-2.5. While US EPA's position is that it is constrained from implementing the PM_{2.5} NAAQS because of that pollutant's SIP status, that should not pose any obstacle to VDEQ's implementation of 9 VAC 5-20-180, requiring Mirant to reduce the level of operation to prevent a violation of any of Virginia's primary ambient air quality standards, which include PM_{2.5}.

- Trona Injection for SO₂ Control: You mentioned during the meeting that EPA is considering allowing trona injection as a means to control SO₂ emissions from PRGS based on Mirant's claim of 80 to 85% control efficiency, and possibly establishing emission limits based on this level of control. We would like to point out that based on our research, to date there is very little experience with trona injection. At the AEP's General Gavin Station in Ohio, trona is used to control SO₃ emissions. At the Cherokee and Arapahoe Stations in Denver, trona injection achieves only 20% SO₂ control. Furthermore, trona injection into the furnace at Progress Energy's Cape Fear Generating Station has shown slagging problems that could directly affect PM emissions. The evaluation report for the Cape Fear facility (of which we gave you a copy during the meeting) showed 84% reduction in PM measured at the ESP inlet consistent with buildup of slag on upstream surfaces. The report also states that ESP efficiencies tend to decrease with injection of a sorbent, such as trona, to a furnace. We urge EPA to thoroughly evaluate trona injection prior to allowing its use for SO₂ control at PRGS. In addition, we urge EPA to evaluate the effects of trona use on facility-wide PM (both PM-10 and PM-2.5) emissions. Our research indicates that baghouses, with their increased efficiency over ESPs for particulate control in the smaller size ranges, are often required to effectively control PM emissions when sorbent injection is used. Mass balance dictates that the amount of trona injected into the flue gas must either be released to the atmosphere via stack emissions or be disposed offsite via truck transport. Therefore, there is a potential for significant increases in PM emissions from the facility either from stacks or as fugitive dust. Any increase in PM emissions must be evaluated to determine applicability of major New Source Review (NSR) under 40 CFR Parts 51 and 52. Mirant states in its January, 2006 summary report that additional tests are necessary to evaluate why trona must be injected at such high stoichiometry rates; these proposed tests represent an opportunity for US EPA to obtain these additional data.
- Dispersion Modeling Data: It appeared from the discussions during the meeting that EPA and VDEQ have not evaluated the effects of other nearby sources on air quality in the vicinity of PRGS. In accordance with EPA's modeling guidelines (40 CFR 51, Appendix W), the City requests that any modeling conducted by EPA and VDEQ include the impacts of other nearby sources. The City also urges that the fugitive dust emissions resulting from coal and ash handling operations at the plant be adequately and completely quantified for modeling purposes. The City has performed calculations of the fugitive dust emissions from PRGS, and our analysis shows that these emissions have a large contribution to overall PM-10 and PM-2.5 impacts near the plant. We would be glad to provide our analysis for your evaluation.

As you may be aware, the City holds meetings of the Mirant Community Monitoring Group (MCMG) on a regular basis at City Hall. MCMG membership includes representatives from the City Council and the residents of Alexandria. The meetings are designed as an open forum for discussion and are used to disseminate new information and provide status reports. Representatives from Mirant are present at these meetings. In

the past, representatives from VDEQ have also attended these meetings. The City invites you and your staff to attend our next MCMG meeting, scheduled to be held on Monday, April 03, 2006, 5:30 pm. Your presence at the meeting is very important to us and the community because of concerns regarding current operations at the plant. It will also benefit the community we are trying to protect and will be appreciated by the MCMG members. The location of the meeting is Room 2000, City Hall, 301, King Street, City of Alexandria, VA 22314.

Again, the City appreciates the opportunity to meet with EPA and VDEQ to discuss our concerns regarding the continued operation of PRGS. As discussed above, we request you to include PM-2.5 emissions from PRGS in your evaluations. More importantly, we also specifically request EPA to allow the City to participate in all future deliberations pertaining to PRGS including copying the City on all correspondence related to Mirant Potomac Power Plant. We look forward to continued discussions on these issues.

Sincerely,



William Skrabak, Chief,
Division of Environmental Quality, T&ES, City of Alexandria

Attachment

cc: The Honorable James P. Moran
The Honorable Richard L. Saslaw, Senate of Virginia
The Honorable Patricia S. Ticer, Senate of Virginia
The Honorable Adam P. Ebbin, Virginia House of Delegates
The Honorable David L. Englin, Virginia House of Delegates
The Honorable Brian J. Moran, Virginia House of Delegates
The Honorable Mayor and Members of City Council
James K. Hartmann, Alexandria City Manager
Ignacio Pessoa, Alexandria City Attorney
Richard J. Baier, Director, T&ES, City of Alexandria
David K. Paylor, Director, VDEQ
Richard Killian, EPA, Region III
David Cambell, EPA, Region III
Dennis Lohman, EPA, Region III
Doug Snyder, EPA, Region III
Chris Pilla, EPA, Region III
Mike Dowd, VDEQ
Terry Darton, VDEQ
Ken McBee, VDEQ

TABLE 1

**Maximum Ambient Impacts of Primary PM-2.5 from
Mirant's Potomac River Generating Station, Alexandria, Virginia**

Operating Scenario ^(a)	Averaging Period	Modeled Impact ^(b,e) ($\mu\text{g}/\text{m}^3$)	Monitored Concentration ^(c) ($\mu\text{g}/\text{m}^3$)	Total Impact ($\mu\text{g}/\text{m}^3$)	NAAQS ($\mu\text{g}/\text{m}^3$)
Option A	24-hr	103.3	39.	142.3	65 ^(d)
	Annual	26.6	14.6	41.2	15
Option B	24-hr	112.7	39.	151.7	65 ^(d)
	Annual	17.8	14.6	32.4	15

(a) Modeled options are as described in Mirant's plan submitted to the U.S. DOE. Option A has been approved by U.S. DOE and Option B is currently being evaluated.

(b) Modeled impacts reflect only primary PM-2.5 emissions from the PRGS. No nearby sources were modeled. Secondary PM-2.5 emissions were not modeled.

(c) Monitored PM-2.5 concentrations are averages of three years of data from the Aurora Hills Visitor Center in Arlington County.

(d) EPA has proposed a lower 24-hr average NAAQS of 35 $\mu\text{g}/\text{m}^3$.

(e) Values derive from the five-year average of the short-term and annual maximums for the period of 2000 through 2004.

TABLE 2

**Maximum Ambient Impacts Due to Operating Option A^(a) from
Mirant's Potomac River Generating Station, Alexandria, Virginia**

Pollutant	Averaging Period	Modeled Impact ($\mu\text{g}/\text{m}^3$)	Monitored Concentration ^(b) ($\mu\text{g}/\text{m}^3$)	Total Impact ($\mu\text{g}/\text{m}^3$)	NAAQS ($\mu\text{g}/\text{m}^3$)
SO ₂	3-hr	915.0	238.0	1,153	1,300
	24-hr	425.6	60.0 ^(c)	485.6	365
	Annual	112.9	16.0	128.9	80
PM-10	24-hr	317.4	42.0	359.4	150
	Annual	51.6	19.0	70.6	50
PM-2.5 ^(d)	24-hr	103.3	39.	142.3	65 ^(e)
	Annual	26.6	14.6	41.2	15
NO ₂	Annual	57.0	45.0	102.0	100

(a) Modeled Option A is as described in Mirant's plan submitted to the U.S. DOE. This option has been approved by U.S. DOE.

(b) Monitored concentrations are representative values from nearby monitors. For PM-2.5, the listed values are averages over three years. For other pollutants, the short term values are second highest concentrations while annual values are the highest over three years.

(c) Even at the lower 24-hour SO₂ background concentration of 51 $\mu\text{g}/\text{m}^3$ that EPA appears to have recently approved for use in this analysis, the NAAQS will be violated.

(d) Modeled impacts derive from the five-year average of the short-term and annual maximums for the period of 2000 through 2004.

(e) EPA has proposed a lower 24-hr average NAAQS of 35 $\mu\text{g}/\text{m}^3$.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

MAR 29 2006

Mr. William Skrabak, Chief
Division of Environmental Quality, T & ES
City of Alexandria
P. O. Box 178 - City Hall
Alexandria, VA 22313

Dear Mr. Skrabak:

Thank you for your letter dated March 17, 2006 to the U.S. Environmental Protection Agency (EPA) concerning the Mirant Potomac River Generating Station.

Let me first take the opportunity to thank you and your colleagues for meeting with EPA and the Virginia Department of Environmental Quality on March 7, 2006 in Philadelphia. EPA appreciates the time and effort you have put into this matter and has taken your comments into consideration. EPA is currently reviewing and formulating a response to the comments and concerns raised in your letter and hopes to forward our response on those issues in the near future. However, I want to alert you to the fact that EPA will be unable to attend the April 3, 2006 meeting mentioned in your letter.

EPA appreciates hearing from citizens and local governments concerned about protecting human health and the environment. EPA's goal is to work with Mirant to provide clean air for the citizens of Alexandria.

Sincerely,

A handwritten signature in black ink, appearing to read "Judith Katz", is written over a faint, larger signature that is partially obscured.

Judith Katz, Director
Air Protection Division

Enclosure

cc: VADEQ (David Paylor)
DOE (Bruce Diamond)





DEPARTMENT OF TRANSPORTATION
AND ENVIRONMENTAL SERVICES

P. O. Box 178 – City Hall
Alexandria, Virginia 22313

alexandriava.gov

March 31, 2006

David K. Paylor
Director, Virginia Department of Environmental Quality
P.O. Box 10009
Richmond, VA 23240

**Re: Mirant's Potomac River Generating Station
City of Alexandria, Virginia**

Dear Mr. Paylor:

On Tuesday, March 7, 2006, the City of Alexandria met with representatives from EPA Region III and Virginia Department of Environmental Quality (VDEQ) at EPA's offices in Philadelphia. Our purpose for this meeting was to hold an open discussion with EPA and VDEQ to help us understand the positions of the two regulatory agencies with respect to the Mirant's Potomac River Generating Station (PRGS). As a follow up to our meeting, we submit the following comments for your immediate consideration.

It is of utmost importance to the City of Alexandria and its residents that any future operation of PRGS, if at all allowed, must be in compliance with all applicable environmental regulations. The analyses undertaken by the City to date, of both the complete unrestricted operation of the PRGS as well as PRGS' proposed operation under Options A and B as outlined in their plan submitted to the U.S. Department of Energy (DOE), clearly show that National Ambient Air Quality Standards (NAAQS) will NOT be met. We urge VDEQ and EPA Region III to take immediate steps to rectify this situation.

- Enforcement of PM-2.5 NAAQS: Emissions of PM-2.5 from the PRGS, both primary and secondary, are now and have always been of utmost concern to the residents of the City of Alexandria. The City and Community are extremely concerned to hear from EPA and VDEQ that no analyses have been conducted to date by either agency to address this pollutant for which NAAQS were first established by EPA in 1997, re-established in 2004 upon court decision upholding the 1997 standards, and adopted by VDEQ in 2004 under Regulation 9 VAC 5-30-65. In response to the argument that VDEQ does not currently have a PM-2.5 State Implementation Plan (SIP), we would like to point out that even though VDEQ also

does not have an SO₂ SIP, EPA has chosen to enforce the SO₂ NAAQS because, as EPA said, there is an imminent and substantial endangerment to health. We believe that PM-2.5 presents the same danger to public health. The modeling performed by the City indicates that PM-2.5 impacts due to PRGS' emissions are in gross violation of the NAAQS, even when modeling only primary PM-2.5 emissions from PRGS and not including secondary PM-2.5 emissions or emissions from other nearby sources. See attached Table 1. Furthermore, the Order by Consent issued to Mirant in September 2004 clearly requires Mirant to develop a plant configuration that ensures compliance with the NAAQS regulated under 9 VAC 5, Chapter 30, which includes PM-2.5 NAAQS. We urge VDEQ and EPA to model the PM-2.5 emissions from PRGS and evaluate the resulting impacts, keeping in mind that the plant is located in a non-attainment area for PM-2.5. All the PM-2.5 related latest medical research and publications, including various PM-2.5 related research articles published in JAMA (Journal of American Medical Association) clearly indicates adverse health impacts from PM-2.5 short and long term exposures in any levels that exceed NAAQS. While Virginia's plan to attain compliance with the AQQS at its *monitored* locations may only now be developing, the City urges VDEQ that known single source contributors (in this case PRGS) that are causing and contributing to local exceedances of these standards, should not be overlooked by VDEQ at the expense of the public health of the neighbors of this facility.

- Emissions of PM-2.5: We understand that VDEQ must prepare and submit a SIP for PM-2.5 by April 2008 (pursuant to Section 110 of the Clean Air Act). Section 114(a)(1)(D) of the CAA authorizes EPA to require Mirant to conduct emissions sampling for PM-2.5 in order to assist in the development of the SIP. Furthermore, under Section 114(b)(1), EPA can delegate this authority to VDEQ. The Metropolitan Washington Air Quality Committee (MWAQC), the entity certified by the Mayor of the District of Columbia and the Governors of Maryland and Virginia to prepare an air quality plan for the DC-MD-VA Metropolitan Statistical Area under Section 174 of the Federal Clean Air Act Amendments of 1990, is currently preparing a baseline PM-2.5 inventory with deliverable date of September 2006. Therefore it is appropriate and timely to require Mirant to conduct PM-2.5 emissions sampling now so that it can be addressed in the SIP which is due in 2008. The City urges VDEQ to require Mirant to perform emissions testing for PM-2.5 using an approved test protocol. The tests must include emissions sampling before and after the control device (i.e., ESP), and with and without trona injection. The tests should include monitoring of the appropriate boiler and ESP operating parameters that are necessary to verify ESP performance. In addition to supporting SIP development, these tests will provide PM-2.5 emissions data for VDEQ to use in dispersion modeling and serve to resolve whether trona injection will result in an increase in PM-2.5 emissions.
- Roles and Responsibilities of VDEQ and EPA: We understand from the discussions at the meeting that VDEQ has the primary responsibility to obtain, review and approve dispersion modeling analyses conducted by the PRGS. However, we have found that to date within the current DOE proceedings, the process of obtaining,

reviewing and approving these modeling analyses has lacked transparency. While the protocol development for the baseline scenario was an open process allowing our comments, we find that PRGS has since submitted modeling analyses without having an approved modeling protocol. PRGS has initiated operation of the facility under the modeled scenario(s) without first securing VDEQ approval. VDEQ and EPA have internally reviewed and concurred with the modeling analyses without opportunity for public comment, and there has been no written correspondence to our knowledge from either VDEQ or EPA indicating their approval of any of these recent modeling or operational scenarios. We understand that DOE has deferred to EPA to make a determination of whether PRGS' proposed Option A, under which DOE has authorized PRGS to operate, complies with the NAAQS. It appears from the discussions during the March 7 meeting that EPA and VDEQ have discussed PRGS' modeling of Option A and are comfortable that this option complies with the NAAQS. Yet, to our knowledge, there is no written correspondence indicating VDEQ's and EPA's approval. The modeling conducted by the City for Option A shows that it will NOT comply with the NAAQS (see attached Table 2). Additionally EPA's own analysis of Option A, which was verbally described as a compliance scenario was incorrectly premised on a sulfur dioxide emission rate that is likely far too low. As the stakeholder directly responsible to the residents of Alexandria, having a local Air Pollution Program, we request that the City be involved in the review and approval process and be invited to participate in any discussions between VDEQ and EPA regarding the modeling of PRGS' emissions. We also request that any comments on, and any approval of, the modeling analyses be presented in writing and a copy be sent to the City. Furthermore, we request that the City be made a party to the discussions between VDEQ, EPA and DOE regarding NAAQS compliance demonstrations for any operating scenarios under which PRGS is authorized or ordered to operate.

- EPA's Letter to Mirant Dated December 22, 2005: This is regarding the letter from Ms. Judith Kath of EPA Region III to Mirant and VDEQ stating EPA's conclusion that, despite VDEQ's directive to do so, Mirant did not "immediately undertake ... action" in August 2005 to protect human health and environment after demonstrating violations of the NAAQS for SO₂, NO₂ and PM-10. First, we are deeply concerned that the City was never informed by VDEQ or EPA of this letter. Second, while this letter was referred to during the meeting as a Notice of Violation (NOV), neither do we find the term "NOV" used in the letter nor do we see the compliance, penalty and civil action provisions required under CAA Sections 113(a)(1)(A), (B) and (C) included in the letter. This is in stark contrast to the NOV, which EPA issued to Mirant on January 22, 2004. It was mentioned during the meeting that EPA and VDEQ are currently in negotiations with Mirant regarding a possible settlement agreement (related to violations of SO₂, NO₂ and PM-10 NAAQS) to ensure that the NAAQS are protected. It was also mentioned during the meeting that the primary focus was on SO₂. While we are pleased that EPA and VDEQ have initiated such action, to date the City has not been privy to any of these negotiations. We request that the City be allowed to participate in the settlement proceedings. We also request VDEQ to ensure that any agreements reached with Mirant do not exacerbate the air

quality problems associated with other air pollutants including, but not limited to, PM-2.5. While EPA's position is that it is constrained from implementing the PM-2.5 NAAQS because of that pollutant's SIP status, that should not pose any obstacle to VDEQ's enforcement of 9 VAC 5-20-180(I), requiring Mirant to reduce the level of operation to prevent a violation of any of Virginia's primary ambient air quality standards, which includes PM-2.5.

- Trona Injection for SO₂ Control: It was discussed during the meeting that EPA is considering allowing trona injection as a means to control SO₂ emissions from PRGS based on Mirant's claim of 80 to 85% control efficiency, and possibly establishing emission limits based on this level of control. We would like to point out that based on our research, for these sustained rates of SO₂ control, trona injection remains an experimental procedure. At the AEP's General Gavin Station in Ohio, trona is used to control SO₃ emissions. At the Cherokee and Arapahoe Stations in Denver, trona injection achieves only 20% SO₂ control on an annual basis, allowing both facilities ample operational flexibility in applying trona. Furthermore, trona injection into the furnace at Progress Energy's Cape Fear Generating Station, limited demonstration tests, has shown slagging problems that could directly affect PM emissions. The evaluation report for the Cape Fear facility (of which a copy is available at www.icac.com/files/public/ICAC03_Ralston.pdf) showed 84% reduction in PM measured at the ESP inlet consistent with buildup of slag on upstream surfaces. The report also states that ESP efficiencies tend to decrease with injection of a sorbent, such as trona, to a furnace. We urge VDEQ to thoroughly evaluate trona injection prior to allowing its use for SO₂ control at PRGS. In addition, we urge VDEQ to evaluate the effects of trona use on facility-wide PM (both PM-10 and PM-2.5) emissions. Our research indicates that baghouses, with their increased efficiency over ESPs for particulate control in the smaller size ranges, are often required to effectively control PM emissions when sorbent injection is used. Mass balance dictates that the amount of trona injected into the flue gas must either be released to the atmosphere via stack emissions or be disposed offsite via truck transport. Therefore, there is a potential for significant increases in PM emissions from the facility either from stacks or as fugitive dust. Any increase in PM emissions must be evaluated to determine applicability of major New Source Review (NSR) under 9 VAC 5-80-1700 and 9 VAC 5-80-2000. Mirant states in its January 2006 summary report that additional tests are necessary to evaluate why trona must be injected at such high stoichiometry rates; these proposed tests represent an opportunity for VDEQ to obtain these additional data.
- Dispersion Modeling Data: It appeared from the discussions during the meeting that VDEQ and EPA have not evaluated the effects of other nearby sources on air quality in the vicinity of PRGS. In accordance with EPA's modeling guidelines (40 CFR 51, Appendix W), the City requests that any modeling conducted by VDEQ and EPA include the impacts of other nearby sources. The City also urges that the fugitive dust emissions resulting from coal and ash handling operations at the plant be adequately and completely quantified for modeling purposes. The City fully evaluated fugitive dust emissions from PRGS for the DOE scenarios, and our analysis shows that these

emissions have a large contribution to overall PM-10 and PM-2.5 impacts near the plant and continue to violate PM10 and PM2.5 standards along the coal and ash yard fence line. We would be glad to provide our analysis for your evaluation.

In addition to the above items discussed during the March 7, 2006 meeting, we would like to bring the following to your attention pertaining to the operation of PRGS and its ambient air quality impacts.

- Toxic Air Pollutant Emissions: Based on City's concerns expressed when Mirant's draft Consent Decree was issued, VDEQ assured the City (and later reassured us at various public meetings) that its own staff would conduct a full hazardous air Pollutant (HAP) analysis that includes modeling. To date, we have not seen any HAP analysis performed by VDEQ. Due to the above-mentioned ongoing settlement negotiations with Mirant, this has become a critical concern for the City. Therefore, we urgently reiterate our request that VDEQ perform a modeling analysis of all potential HAP emissions from coal combustion at PRGS, including dioxins/furans, PAHs, trace metals and acid gases. The analysis conducted by the City, as provided to VDEQ in August 2005, showed violations of VDEQ's Significant Ambient Air Concentrations (SAACs) for Hydrogen Fluoride and Hydrogen Chloride found in Regulation 9 VAC 5-60-230 and -330. We believe that even under reduced operation of PRGS, some of the SAACs will continue to be violated.
- Methodology for Modeling PM-2.5 Emissions: The City understands that no explicit EPA guidance is currently available for modeling PM-2.5. However, a suitable approach can be developed to model PM-2.5 emissions from PRGS even in the absence of explicit EPA guidance. Indeed, the EPA guidelines allow the development of a "case-by-case" approach. For example, the modeling of primary PM-2.5 emissions alone, using AERMOD is equivalent to the approach currently recommended by USEPA for local scale assessment of PM2.5 impacts, and would demonstrate the extent of PRGS' violation of the PM-2.5 NAAQS. The State of New Jersey routinely requires this exact approach for evaluating modifications to existing and new sources. The results presented in the attached Tables 1 and 2 for primary PM-2.5 emissions from PRGS were developed using AERMOD. Also, the City developed a recommendation in our letter dated January 2005 to Mr. McBee to your staff wherein the CALPUFF model could be used to account for both primary and secondary components of PM-2.5 while retaining the downwash effects. Dr. Jonathan Levy of Harvard School of Public Health has applied the CALPUFF approach for power plants in Illinois as well as the DC area. In his article, "Using CALPUFF to Evaluate the Impacts of Power Plant Emissions in Illinois: Model Sensitivity and Implications," J. Levy et al, Atmospheric Environment, v.36, 2002. Mirant's own consultant for modeling, ENSR, assisted Dr. Levy in reviewing this CALPUFF approach.
- Resolution of Modeling Discrepancies: The City has reviewed several of Mirant's modeling submittals to VDEQ in which they evaluated various operating configurations of the PRGS. We have found discrepancies between their analyses

and the analyses performed by the City, and believe that some of their assumptions either represent errors or are non-conservative assumptions. These include very low PM-10 emission rate for the baghouses, unusually low silt loading used in estimating roadway dust emissions, discrepancies in boiler and ESP building dimension for downwash analysis, and potentially inadequate receptor coverage on public lands. One such potential error pertains to the building downwash parameters used by Mirant. Due to a glitch in the preprocessing software, i.e., BPIPPRM, the downwash parameters were not identified in the most conservative manner. To resolve this potential error, the user must combine squat buildings of same height that are located adjacent to each other, i.e., PRGS' boiler building and the ESPs, into a single structure prior to running the preprocessing software. We can provide further details on the discrepancies we have found. We urge VDEQ to carefully evaluate the assumptions used by Mirant in its analysis.

The City requests a meeting with you to discuss these issues and community's concerns. By requesting this meeting, we hope to maintain the previous process where lines of communications remain open, and interests of the citizens are adequately protected. While we leave the date of the meeting to your discretion, we would like to have the meeting before end of April, 2006. We look forward to hearing from you regarding this meeting. Please contact me at 703-838-4334 to discuss time and place for this meeting.

Again, the City appreciates the opportunity to meet with EPA and VDEQ to discuss our concerns regarding the continued operation of PRGS. As discussed above, we request you to include PM-2.5 emissions from PRGS in your evaluations. More importantly, we also specifically request EPA to allow the City to participate in all future deliberations pertaining to PRGS including copying the City on all correspondence related to Mirant Potomac Power Plant.

Sincerely,



William Skrabak, Chief,
Division of Environmental Quality, T&ES, City of Alexandria

Attachment

cc: The Honorable Mayor and Members of City Council
James K. Hartmann, Alexandria City Manager
Ignacio Pessoa, Alexandria City Attorney
Richard J. Baier, Director, T&ES, City of Alexandria
Mike Dowd, VDEQ
Terry Darton, VDEQ
Ken McBee, VDEQ

TABLE 1

**Maximum Ambient Impacts of Primary PM-2.5 from
Mirant's Potomac River Generating Station, Alexandria, Virginia**

Operating Scenario ^(a)	Averaging Period	Modeled Impact ^(b,e) ($\mu\text{g}/\text{m}^3$)	Monitored Concentration ^(c) ($\mu\text{g}/\text{m}^3$)	Total Impact ($\mu\text{g}/\text{m}^3$)	NAAQS ($\mu\text{g}/\text{m}^3$)
Option A	24-hr	107.7	39.	146.7	65 ^(d)
	Annual	28.9	14.6	43.5	15 ^(d)
Option B	24-hr	120.4	39.	159.4	65 ^(d)
	Annual	19.3	14.6	33.9	15 ^(d)
<p>(a) Modeled options are as described in Mirant's plan submitted to the U.S. DOE. Option A has been approved by U.S. DOE and Option B is currently being evaluated.</p> <p>(b) Modeled impacts reflect only primary PM-2.5 emissions from the PRGS. No nearby sources were modeled. Secondary PM-2.5 emissions were not modeled.</p> <p>(c) Monitored PM-2.5 concentrations are averages of three years of data from the Aurora Hills Visitor Center in Arlington County.</p> <p>(d) EPA has proposed a lower 24-hr average NAAQS of 35 $\mu\text{g}/\text{m}^3$, and CASAC has recommended a lower annual AAQS for PM2.5 which is currently under consideration.</p> <p>(e) Values derive from the five-year average of the short-term and annual maximums for the period of 2000 through 2004.</p>					

TABLE 2

**Maximum Ambient Impacts Due to Operating Option A^(a) from
Mirant's Potomac River Generating Station, Alexandria, Virginia**

Pollutant	Averaging Period	Modeled Impact ($\mu\text{g}/\text{m}^3$)	Monitored Concentration ^(b) ($\mu\text{g}/\text{m}^3$)	Total Impact ($\mu\text{g}/\text{m}^3$)	NAAQS ($\mu\text{g}/\text{m}^3$)
SO ₂	3-hr	915.0	238.0	1,153	1,300
	24-hr	425.6	60.0 ^(c)	485.6	365
	Annual	113.8	16.0	129.8	80
PM-10	24-hr	317.4	42.0	359.4	150
	Annual	51.6	19.0	70.6	50
PM-2.5 ^(d)	24-hr	107.7	39.	146.7	65 ^(e)
	Annual	28.9	14.6	43.5	15 ^(e)
NO ₂ ^(f)	Annual	57.3	45.0	100.3	100

(a) Modeled Option A is as described in Mirant's plan submitted to the U.S. DOE. This option has been approved by U.S. DOE.

(b) Monitored concentrations are representative values from nearby monitors. For PM-2.5, the listed values are averages over three years. For other pollutants, the short term values are second highest concentrations while annual values are the highest over three years.

(c) Even at the lower 24-hour SO₂ background concentration of 51 $\mu\text{g}/\text{m}^3$ that EPA appears to have recently approved for use in this analysis, the NAAQS will be violated.

(d) Modeled impacts derive from the five-year average of the short-term and annual maximums for the period of 2000 through 2004.

(e) EPA has proposed a lower 24-hr average NAAQS of 35 $\mu\text{g}/\text{m}^3$ and CASAC has recommended a lower annual AAQS for PM2.5 which is currently under consideration.

(f) Includes application of the AERMOD 04300.5 ozone limiting method algorithm using local ozone observations for the year 2004.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

DEC 22 2005

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert G. Burnley, Director
Commonwealth of Virginia Department of Environmental Quality
629 East Main Street
Richmond, Virginia 22319

Lisa D. Johnson, President
Mirant Potomac River, LLC
8711 Westphalia Road
Upper Marlboro, Maryland 20774

Dear Mr. Burnley and Ms. Johnson:

We, like you, are in receipt of the December 20, 2005 Order issued by the United States Department of Energy (DOE) pursuant to Section 202(c) of the Federal Power Act addressing electricity reliability issues caused by the unavailability of Mirant Potomac River, LLC's Potomac River Generating Station. That order requires Mirant to develop and submit a plan to DOE that addresses the reliability issues discussed in the order, while minimizing "any adverse environmental consequences from operation of the Plant." In addition, that order makes it clear that DOE will consult with the United States Environmental Protection Agency (EPA) prior to approval by DOE of the plan submitted by Mirant. We are, in turn, inviting you to work with EPA to ensure that Mirant's plan adequately addresses National Ambient Air Quality Standards (NAAQS) issues in a manner consistent with the Clean Air Act, the DOE order, and the interests of the parties.

As we have stated in the past, EPA concurs with Virginia's August 19, 2005 letter to Mirant, in which VADEQ determined that the results of a Dispersion Modeling Analysis of Downwash from Mirant's Potomac River Plant conducted by Mirant demonstrate that emissions from the Potomac River plant result in, cause or substantially contribute to modeled violations of the primary NAAQS for sulfur dioxide (SO₂), nitrogen dioxide (NO₂) and PM₁₀. Because of "the serious violations of the human health-based NAAQS," and pursuant to 9 VAC 5-20-180(I), approved and incorporated into Virginia's State Implementation Plan (SIP) at 40 C.F.R. 52.2420(c), Virginia's August 19, 2005 letter

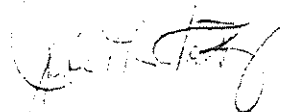
Customer Service Hotline: 1-800-438-2474

directed Mirant to "*immediately* undertake such action as is necessary to ensure protection of human health and the environment, in the area surrounding the Potomac River Generating Station, including the potential reduction of levels of operation, or potential shutdown of the facility." (Emphasis in original.)

The EPA concludes that Mirant did not in fact "*immediately* undertake such action" as directed in Virginia's August 19, 2005 letter, and therefore continued to produce emissions from the Potomac River Generating Station that resulted in, caused, or substantially contributed to modeled exceedances of the referenced NAAQS and failed to comply with requirements of the Virginia SIP lawfully established by Virginia's letter under regulations at 9 VAC 5-20-180(I), 40 C.F.R. 52.2420(c).

We would like to meet with you or your representatives to discuss the plan Mirant is required to submit to DOE pursuant to its order. By this letter we are also requesting that Mirant submit a copy of its plan directly to EPA Region III. Please have your staff contact me at 215-814-2654 to schedule a meeting.

Sincerely,



Judith M. Katz, Director
Air Protection Division



Federal Aviation Administration
Air Traffic Airspace Branch, ASW-520
2601 Meacham Blvd.
Fort Worth, TX 76137-0520

Aeronautical Study No.
2005-AEA-2958-OE
Prior Study No.
2005-AEA-710-OE

Issued Date: 02/26/2006

MIRANT POTOMAC RIVER LLC
1400 N ROYAL STREET
ALEXANDRIA, VA 22314

**** DETERMINATION OF NO HAZARD TO AIR NAVIGATION ****

The Federal Aviation Administration has completed an aeronautical study under the provisions of 49 U.S.C., Section 44718 and, if applicable, Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure Type: SMOKE STACK UNIT 1
Location: ALEXANDRIA, VA
Latitude: 38-49-12.5 NAD 83
Longitude: 77-2-26.84
Heights: 214 feet above ground level (AGL)
247 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure would have no substantial adverse effect on the safe and efficient utilization of the navigable airspace by aircraft or on the operation of air navigation facilities. Therefore, pursuant to the authority delegated to me, it is hereby determined that the structure would not be a hazard to air navigation provided the following condition(s) is(are) met:

As a condition to this Determination, the structure should be marked and/or lighted in accordance with FAA Advisory Circular 70/7460-1 K, Obstruction Marking and Lighting, 24-hr med-strobes - Chapters 4,6 (MIWOL), &12.

It is required that the enclosed FAA Form 7460-2, Notice of Actual Construction or Alteration, be completed and returned to this office any time the project is abandoned or:

X__ At least 10 days prior to start of construction
(7460-2, Part I)

X__ Within 5 days after the construction reaches its greatest height
(7460-2, Part II)

As a result of this structure being critical to flight safety, it is required that the FAA be kept appraised as to the status of the project. Failure to respond to periodic FAA inquiries could invalidate this determination.

See attachment for additional condition(s) or information.

This determination expires on 02/26/2009 unless:

- (a) extended, revised or terminated by the issuing office.
- (b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on

the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.

NOTE: REQUEST FOR EXTENSION OF THE EFFECTIVE PERIOD OF THIS DETERMINATION MUST BE POSTMARKED OR DELIVERED TO THIS OFFICE AT LEAST 15 DAYS PRIOR TO THE EXPIRATION DATE.

This determination is subject to review if an interested party files a petition on or before March 28, 2006. In the event a petition for review is filed, it must contain a full statement of the basis upon which it is made and be submitted in triplicate to the Manager, Airspace and Rules Division - Room 423, Federal Aviation Administration, 800 Independence Ave, Washington, D.C. 20591.

This determination becomes final on April 7, 2006 unless a petition is timely filed. In which case, this determination will not become final pending disposition of the petition. Interested parties will be notified of the grant of any review.

This determination is based, in part, on the foregoing description which includes specific coordinates, heights, frequency(ies) and power. Any changes in coordinates, heights, and frequencies or use of greater power will void this determination. Any future construction or alteration, including increase to heights, power, or the addition of other transmitters, requires separate notice to the FAA.

This determination does include temporary construction equipment such as cranes, derricks, etc., which may be used during actual construction of the structure. However, this equipment shall not exceed the overall heights as indicated above. Equipment which has a height greater than the studied structure requires separate notice to the FAA.

This determination concerns the effect of this structure on the safe and efficient use of navigable airspace by aircraft and does not relieve the sponsor of compliance responsibilities relating to any law, ordinance, or regulation of any Federal, State, or local government body.

This aeronautical study considered and analyzed the impact on existing and proposed arrival, departure, and en route procedures for aircraft operating under both visual flight rules and instrument flight rules; the impact on all existing and planned public-use airports, military airports and aeronautical facilities; and the cumulative impact resulting from the studied structure when combined with the impact of other existing or proposed structures. The study disclosed that the described structure would have no substantial adverse effect on air navigation.

An account of the study findings, aeronautical objections received by the FAA during the study (if any), and the basis for the FAA's decision in this matter can be found on the following page(s).

A copy of this determination will be forwarded to the Federal Communications Commission if the structure is subject to their licensing authority.

If we can be of further assistance, please contact our office at (202)267-9219. On any future correspondence concerning this matter, please refer to Aeronautical Study Number 2005-AEA-2958-OE.

Signature Control No: 435639-441411

(DNH)

Kevin P. Haggerty
Manager, Obstruction Evaluation Service



Federal Aviation Administration
Air Traffic Airspace Branch, ASW-520
2601 Meacham Blvd.
Fort Worth, TX 76137-0520

Aeronautical Study No.
2005-AEA-2958-OR
Prior Study No.
2005-AEA-710-OR

Issued Date: 11/07/2005

MIRANT POTOMAC RIVER LLC
1400 N ROYAL STREET
ALEXANDRIA, VA 22314

**** PUBLIC NOTICE ****

The Federal Aviation Administration is conducting an aeronautical study concerning the following:

Structure Type: SMOKE STACK UNIT 1
Location: ALEXANDRIA, VA
Latitude: 38-49-12.5 NAD 83
Longitude: 77-2-26.84
Heights: 214.0 feet above ground level (AGL)
247 feet above mean sea level (AMSL)

The structure as described above exceeds obstruction standards. To determine its effect upon the safe and efficient use of navigable airspace by aircraft and on the operation of air navigation facilities, the FAA is conducting an aeronautical study under the provisions of 49 U.S.C., Section 44710 and, if applicable, Title 14 of the Code of Federal Regulations, part 77.

In the study, consideration will be given to all facts relevant to the effect of the structure on existing and planned airspace use, air navigation facilities, airports, aircraft operations, procedures and minimum flight altitudes, and the air traffic control system.

Interested persons are invited to participate in the aeronautical study by submitting comments to the above FAA address. To be eligible for consideration, comments must be relevant to the effect the structure would have on aviation, must provide sufficient detail to permit a clear understanding, must contain the aeronautical study number printed in the upper right hand corner of this notice, and must be received on or before December 14, 2005.

This notice may be reproduced and circulated by any interested person. Airport managers are encouraged to post this notice.

SEE REVERSE SIDE FOR ADDITIONAL INFORMATION

Signature Control No: 435639-416126

(CIR)

William Merritt
Specialist

Attachment(s)
Additional Information
Map

(X) Comments stated in attached letter.
() No comments submitted.

Harold W Becker
Signature & Title

PRESIDENT
HAL BECKER, INC

CITY OF
ALEXANDRIA VA
Representing

12-13-05
Date

CITY OF ALEXANDRIA, VIRGINIA

COMMENTS

INTRODUCTION

On behalf of the City of Alexandria ("Alexandria"), Virginia, I respectfully submit these comments concerning the request by Mirant Potomac River, LLC ("Mirant"), to increase the height of the emissions stacks at the Potomac River Generating Station ("PRGS") located in Alexandria, Virginia (Aeronautical Study Number 2005-AEA-2958-OE). The PRGS is located 1.92 nautical miles south of Washington Reagan National Airport ("DCA") in an area of Alexandria known as North Old Town, a densely populated residential neighborhood. Alexandria has a strong and unique interest in the safety and welfare of its residents, workers and guests. Accordingly, for the reasons set forth below, Alexandria strongly opposes any increase in the height of the PRGS's emissions stacks.

The PRGS is a coal-fired power plant that has been operating for more than 50 years. Due to its age, the PRGS is not equipped with environmental controls that are required at newer power plants, a situation that subjects Alexandria residents to serious health risks. Currently, four of the five generating units at the PRGS are not operating due to a finding that the plant is in violation of federal and state air quality standards. To alleviate this situation, Mirant is proposing a package of environmental mitigation measures for the PRGS including, but not limited to, an increase in the plant's stack heights. Mirant ignores the air safety aspects of such a proposal.

The increased height will have substantial adverse effects on aircraft operations at, and near, DCA. Accordingly, the Federal Aviation Administration ("FAA") should issue a Determination of Hazard to Air Navigation for the proposed stack height increases.

LOSS OF NAVIGABLE AIRSPACE

Aircraft operations in the airspace controlled by DCA are severely constrained by restricted airspace and noise abatement procedures. Any further encroachment into that airspace, such as the Mirant proposal, results in a loss of navigable airspace that would affect the efficiency of operations at DCA. The need for conserving airspace for safe and efficient use by aircraft is emphasized in FAA Handbook 7400.2E, Procedures for Handling Airspace Matters.

The initial FAA aeronautical study found that increasing the height of the smoke stacks would require an increase in the climb gradient for departures from DCA runway 19 to meet required obstacle clearance standards. For the period from October 2004 through September 2005, the Washington Metropolitan Airport Authority reported 275,352 operations at DCA. The airport's Noise Compatibility Program estimates that 40 percent of operations use runway 19, approximately 110,140 operations. Departures

would account for 55,070, one half of those operations. This volume of departure traffic affected by the increased climb gradient constitutes substantial adverse effect as described in FAA Handbook 7400.2E.

Because of the large size of the smoke stacks, increasing their height has a high probability of causing interference with the air traffic control radar, the VHF omnidirectional navigational facility (VOR), and the runway 01 instrument landing system. Degradation of these navigational facilities would affect air traffic controllers' ability to control traffic smoothly and efficiently, resulting in a reduction of operational capacity at DCA.

Furthermore, the increased climb gradient could require commercial operators to modify their minimum take off performance procedures for runway 19 departures. The modified standards could require that, under certain conditions, aircraft could only take off with lesser payloads, thereby reducing the amount of revenue that would otherwise be received for those operations. The performance required to meet required obstacle clearance standards in the event of partial loss of engine power is the most likely condition that would require a modification of the procedures and a reduction in payload.

The increased climb gradient would likely result in an increase in aircraft noise south of DCA. Greater engine power would be necessary for taking off and climbing in order to comply with the higher gradient.

Penetration of objects into the navigable airspace is a challenge for FAA specialists who design flight arrival and departure procedures, and for air traffic controllers in performing their responsibilities for conducting safe and efficient traffic control. If the Mirant proposal receives a Determination of No Hazard, it could encourage future proposals by Mirant to add more height to its smoke stacks, or encourage proposals for construction projects by other entities, thereby continuing the problem of protecting the airspace surrounding DCA. In fact, AERO Engineering, Inc., an air quality consultant hired by Alexandria, estimates that the PRGS must increase its stacks by a minimum of 100 feet to achieve its stated environmental purposes. It is inevitable that Mirant will request additional stack height increases.

SAFETY ISSUES

There is a large volume of helicopter traffic in the area. Some of this activity operates on a charted route (Route 4) along the Potomac River approximately one-half mile east of the Mirant plant. Other operations do not follow the charted route because of the nature of their missions, e.g., emergency response. Both types of operations are conducted at low altitudes and, when necessary, both are conducted in extremely low visibility weather conditions. These helicopter operations are normally conducted at 200 feet above the surface or lower to avoid conflicting with fixed-wing traffic inbound to runway 01 or departing on runway 19 at DCA. The control tower at DCA estimates that there were about 3300 helicopter operations in 2004.

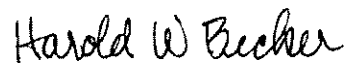
An increase in the height of the stacks would reduce the amount of airspace available for such operations and, by compressing that traffic into the smaller area, increase the risk of mid-air collisions or collision with the smoke stacks. Alexandria is concerned about this increased potential for mid-air collisions, and the resultant hazards to persons and property on the ground from falling debris in the densely populated area near the Mirant plant.

Another safety issue is the possibility for pilot distraction during a critical phase of flight. The initial aeronautical study did not determine that the proposal would increase the glide slope altitudes for arrivals to runway 01; nonetheless, the proximity of the higher smoke stacks could create a distraction to pilots when their flights are in the final approach phase. Pilot distraction has been raised as a safety concern in other construction proposals, further increasing Alexandria's concern for the safety of the residents and workers in the vicinity of the plant.

CONCLUSION

For the above reasons, Alexandria strongly opposes any increase in the height of the emissions stacks at the PRGS. I thank you for the opportunity to comment on behalf of the City of Alexandria. If you have any questions concerning these comments or need additional information, please contact me at (703) 560-3588 or hal.becker@att.net, or John Britton at (202) 419-4218 or jbritton@schnader.com.

Respectfully submitted,



Harold W. Becker
President
Hal Becker, Inc.

March 23, 2006

John B. Britton
Direct Dial 202-419-4218
Facsimile 202-419-3454
Email address jbritton@schnader.com

VIA ELECTRONIC AND FIRST CLASS MAIL

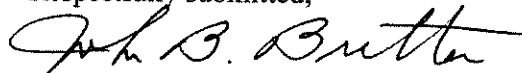
Mr. Lawrence Mansueti
Management and Program Analyst
Permitting, Siting, and Analysis Division
Office of Electricity Delivery and Energy Reliability (OE-20)
U.S. Department of Energy
1000 Independence Avenue SW
Washington, DC 20585-0119

**Re: Docket No. EO-05-01
City of Alexandria's Supplemental Comments**

Dear Mr. Mansueti:

Pursuant to the Department of Energy Order No. 202-06-1, and for filing in the above-referenced proceeding, enclosed please find the Supplemental Comments of the City of Alexandria, Virginia.

Respectfully submitted,



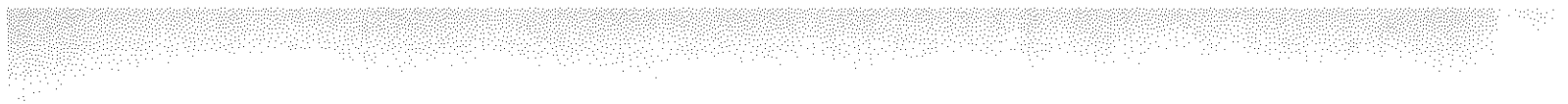
John B. Britton
SCHNADER HARRISON SEGAL & LEWIS LLP
Counsel for the City of Alexandria

Ignacio B. Pessoa
City Attorney
City of Alexandria

JBB/maj

Attachment

cc: Service List (via electronic mail)



**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY**

**Emergency Petition and Complaint of)
The District of Columbia)
Public Service Commission)**

**Docket No. EO-05-01
Re: Order No. 202-05-3**

**CITY OF ALEXANDRIA'S SUPPLEMENTAL COMMENTS
RE: EMERGENCY ORDER**

Pursuant to Section 313 of the Federal Power Act ("FPA"), 16 U.S.C. § 8251, and Department of Energy ("DOE") Order No. 202-06-01, the City of Alexandria, Virginia ("Alexandria") hereby submits these Supplemental Comments to its Application for Rehearing (Re: DOE Order No 202-05-3), dated January 19, 2006.

I.

BACKGROUND

On December 20, 2005, pursuant to section 202(c) of the FPA, 16 U.S.C. § 824a(c), Secretary Samuel W. Bodman (the "Secretary") issued DOE Order No. 202-05-3. The Order was the Secretary's response to an emergency petition and complaint filed by the District of Columbia Public Service Commission ("DCPSC") on August 24, 2005. In his Order, the Secretary deemed the shutdown of the Potomac River Generating Station ("PRGS") in Alexandria, Virginia an "emergency" and directed the Mirant Corporation ("Mirant") to resume operation of the PRGS.

On January 19, 2006, both Alexandria and David K. Paylor, Director of the Commonwealth of Virginia's Department of Environmental Quality ("VDEQ") submitted requests for rehearing of the Secretary's Order 202-05-3. The DCPSC submitted a request for qualification or in the alternative, rehearing of the Secretary's Order. On February 21, 2006, Alexandria also submitted comments pursuant to the January 20, 2006 Federal Register notice (71 Fed. Reg. 3279) concerning DOE's proposed Special Environmental Analysis ("SEA") related to the Secretary's December 20th Order. The Secretary extended until March 23, 2006 the time within which interested parties may respond to the December 20th Order to afford additional comments on issues raised in the rehearing requests and on the proposed operating scenarios submitted to DOE by the PRGS.

The focus of Alexandria's comments and request for rehearing is the failure of the Secretary to (i) adequately evaluate short-term and long-term public health and environmental issues related to the operation of the PRGS and (ii) identify and evaluate alternatives for mitigating the deemed electricity reliability "emergency". As stated in its Application for Rehearing, the only resolution offered by the Secretary is the resurrection

of an outmoded, dirty coal plant in the heart of Alexandria's residential communities. Without evaluation and implementation of alternative electricity generation and transmission and demand reduction programs, the full burden of the deemed "emergency" unnecessarily falls on only one sector- - Alexandria and its residents. The Secretary failed to evaluate any such alternatives and programs and determine their viability on either a short term or long-term basis. Despite the local and adverse consequences of his action, the Secretary assumes no liability for the health and welfare of Alexandria's residents and fails to impose any strict requirements on the other stakeholders in the process, such as Mirant, the Potomac Electric Power Company ("PEPCO"), PJM Interconnection and the DCPSC.

Alexandria reiterates its position that the Secretary's Order lacks a comprehensive, thorough, broad-based analysis, with respect to electricity capacity and demand and health and environmental issues, to support the determination of "emergency". These Supplemental Comments address (i) potential alternatives, albeit not an exhaustive list, to mitigate the "emergency" and (ii) the proposed operating scenarios for the PRGS.

II.

ALTERNATIVE ELECTRICITY TRANSMISSION

If this is a true emergency, the Secretary should have identified and evaluated all power generation and transmission alternatives to ensure electricity reliability in the District of Columbia. The Secretary failed to do this. Transmission alternatives include, but may not be limited to, the National Railroad Passenger Corporation ("AMTRAK") and CSX Corporation ("CSX") railroad rights of way and transmission lines that enter the District of Columbia from the north, rail transmission lines approaching the District from the South and Alexandria and currently existing but inactive transmission lines.

A. Railroad Rights of Way and Transmission Lines

The AMTRAK corridor between the District of Columbia and Boston traverses several utility service areas including those of PEPCO, Baltimore Gas & Electric Company, Philadelphia Electric Company and Consolidated Edison. AMTRAK owns and operates major station properties in Washington DC, Baltimore, Wilmington, Philadelphia, New York and Boston. AMTRAK also owns transmission lines and transmission rights-of-way between these cities, which compose the geographical backbone of three of the largest regional grid operators on the east coast.

AMTRAK obtains power from electric utility companies and transmits this power over its own lines to serve AMTRAK activities. It resells any excess energy at its disposal. Although the power used by AMTRAK is 25 HZ, it is converted from 60HZ to 25 HZ at points of need for AMTRAK. Utility companies own the frequency converters. AMTRAK also owns the high voltage transmission line right-of way. Put simply, transmission lines exist coming into the District of Columbia from other utility areas and

from other major grid systems -- a potential short-term and long-term source of additional electricity for the District of Columbia.

The same situation may exist on transit lines coming into the District of Columbia from the Dominion Power area south of Washington DC. In addition, CSX may own inactive transmission lines that could deliver power to the District of Columbia. The Secretary failed to explore and evaluate any of these potential alternative sources of electricity.

B. Inactive Circuits to Virginia Power

When PEPCO sold its Virginia business to Virginia Power (Dominion Resources) in 1991, one of the circuits was left open to provide emergency service to the Potomac River substation from the Rosslyn, Virginia substation. In the past, based on certain capacity requirements of the PRGS, electricity supply from northern Virginia has been transferred to PEPCO. This connection may be an additional source of electricity for the District of Columbia. In fact, in light of Virginia Power's membership in the PJM grid, PEPCO and Virginia Power could make this a permanent, even upgraded, connection. The Secretary failed to evaluate any transmission alternative from Virginia Power.

III.

ALTERNATIVE ELECTRICITY GENERATION

There are other electricity generation sources in the District of Columbia which the Secretary failed to evaluate in his determination of "emergency". These sources include Federal Government generators and Buzzard Point and Benning Road generation. These generators are in the District of Columbia and may require simple interconnections or switching of existing plant to energize inactive circuits and enhance electricity reliability in the District of Columbia.

A. Increased Capacity of Government and Commercial Generators

The General Services Administration ("GSA"), Smithsonian Institution, certain universities located in the District of Columbia and the D.C. Convention Center may be planning or have constructed cogeneration systems. For example, GSA cogeneration includes two (2) 5MW gas turbines and compressors and the Convention Center generates 4 MW. The Secretary failed to evaluate the impact of any cogeneration capability in or nearby the District of Columbia to increase electricity capacity on a short-term emergency basis.

B. Increase Capacity of Buzzard Point and Benning Road Generators

PEPCO Energy Services, a subsidiary of PEPCO Holdings, Inc., owns the Buzzard Point Generation Station ("Buzzard Point") and the Benning Road Generation Station ("Benning Road") with production capacities of 256 MW and 550 MW

respectively. These facilities are located in the District of Columbia and their generating units are normally dispatched for emergency and/or peaking requirements.

The Buzzard Point generators could be connected, however, through two (2) 69 kV lines through the War substation in Virginia to the Potomac River 69 kV substation. These circuits are presently open during normal daily PRGS operations. In the past, when emergencies occurred at the PRGS bus, the Buzzard Point units would be connected through the War substation to the Potomac River substation to supply emergency power for the downtown DC area. Furthermore, this operational connection could be upgraded and made permanent, another source of electricity reliability not evaluated by the Secretary.

The situation for the Benning Road facility is similar to that of Buzzard Point. The normally disconnected circuits between the Benning Road and Buzzard Point generators could be connected allowing electricity flows from Benning Road to Buzzard Point to the Potomac River substation. Although these units are peaking units similar to those at Buzzard Point, these connecting circuits could be upgraded and made permanent. The Secretary failed to evaluate any connection related to Benning Road.

C. I Street and Ninth Street Substations

District load normally served by the PRGS 69 kV bus could also be transferred to other generators serving the downtown DC area. The 9th Street and I Street substations load could be connected directly to the Buzzard Point generators and reduce the load served by the PRGS generators at peak time by approximately 250 MW. This is a significant amount of generation to mitigate the reduction of operation at the PRGS.

In addition, 138 kV and 230 kV high voltage transmission lines delivering power from the PEPCO ring to the Buzzard Point generator bus could also serve the 9th Street and I Street substation loads. This alternative would allow the PEPCO system to accommodate electricity loads normally served by PRGS, and produce added redundancy for PEPCO's downtown network.

IV.

LOAD REDUCTION PROGRAMS

The Secretary should have, but did not, identify specific, emergency and non-emergency load reduction programs in the District of Columbia to compensate for electricity generation or transmission reduction at PRGS. In his Order, the Secretary did not rely on or refer to emergency or non-emergency load reduction plans or other energy use management programs to mitigate the impact of the shutdown of the PRGS. Particularly in light of the significant use of electricity by government customers, the Secretary should have imposed certain levels of emergency load shedding or load cycling for Federal and District of Columbia buildings. In this, the Secretary's Order is totally deficient.

Many large commercial and governmental customers in the District of Columbia have already undertaken load reduction programs in non-emergency situations. The Secretary failed to identify any of them and their capacity to reduce load on an emergency or requested basis. On a smaller scale, a non-emergency load reduction program undertaken by the District of Columbia is the Reliable Energy Trust Fund Program developed by the District of Columbia Energy Office. Although of limited scope, the program identifies conservation programs that DCPSC approves for usage and load reduction and assists in implementing renewable energy resources. An "emergency" situation would warrant a more targeted approach to implement these load reduction and renewable energy programs to save energy, produce electricity at distributed loads and ensure the public health and welfare.

Although these load reduction and management programs may not be individually determinative, in combination with the utilization of transmission and generation alternatives, they could have a significant, positive impact on electricity reliability for the DC downtown area. Appropriate load levels and redundancies could be maintained without the PRGS generation and transmission and without jeopardizing the health and welfare of Alexandria's residents.

V.

MIRANT OPERATING SCENARIOS

Shielded by the Secretary's Order, the PRGS operated all five of its generators during maintenance operations conducted by PEPCO on the two 230 kV circuits connecting the Palmers Corner and Potomac River substations. This maintenance period occurred in two stages from January 12, 2006 to January 20, 2006 and January 23, 2006 to January 28, 2006. (See Pepco Holdings, Inc. letter of March 17, 2006 to The Honorable Samuel W. Bodman.) According to Exhibit D of Mirant's Supplement No. 3 to its Operating Plan, the PRGS used environmental controls--trona injection system--on two of the generating units at least partially during this maintenance period. During this time, however, PRGS recorded significant increases in opacity, up to three times over the expected levels. Furthermore, with operations at near full load, the PRGS's continuous emission monitoring systems recorded levels of sulfur dioxide emissions at 0.8 lb. per MMBtu and higher. Consequently, it is likely that the PRGS violated the short-term ambient air quality standards by multiple factors. In light of the Secretary's failure to implement alternative mitigation measures in this "emergency", the full-scale operation of the PRGS operation at this time was an unacceptable, adverse public health burden on the residents of Alexandria.

Mirant has proposed two operating scenarios for resumption of the PRGS -- Option A and Option B. The Secretary has authorized interim operations under Option A. An ambient air quality analysis shows, however, that maximum short-term and annual impacts for the criteria pollutants of nitrogen dioxide ("NO₂"), sulfur dioxide (SO₂) and particulate matter exceed the compliance standards by between 1.02 and 29 times. There

are also significant harmful levels of hydrogen chloride that would be emitted from the PRGS under both Option A and Option B.

Furthermore, although Mirant is implementing a trona injection system to reduce sulfur dioxide emissions, this will not bring the PRGS into compliance with the ambient air quality standards. There are a number of problems with the use of trona. First, the trona injection technology has very limited application and an almost non-existent track record. Put starkly, there is no record of any significant, sustained reduction of sulfur dioxide through the use of trona at an electrical generating facility. Second, there are concerns related to the build-up of trona material on interior surface systems resulting in reduced operational efficiencies and emissions control.

Finally, even more egregious than the poor operational and performance record of trona, there is the potential for its use to actually increase pollutant emissions, particularly of fine particulate matter ("PM_{2.5}"). The use of trona will likely decrease the efficiency of the heat exchangers, thereby requiring an increase in coal consumption and increasing overall emissions. In addition, the injection of trona, a particulate sorbent, into the coal combustion process at a rate of four (4) tons or more per hour necessarily results in a substantial increase of particulate matter from each generator. There is no dispute that inhaled PM_{2.5} significantly and adversely affects public health, an unacceptable harm and sacrifice for the residents of Alexandria.

CONCLUSION

For the above reasons and those set forth in Alexandria's Application for Rehearing, Alexandria respectfully requests the Secretary to reconsider his determination with respect to the operation of the PRGS.

Respectfully submitted,



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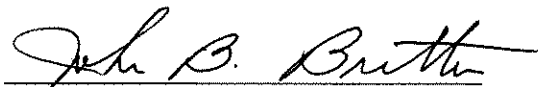
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was on this day served by electronic mail on the persons listed below.

Dated at Washington, D.C., this 23rd day of March, 2006.


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February 21, 2006

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**Re: City of Alexandria, Virginia Comments Regarding Department of Energy
Emergency Order, Operating Plan by Mirant and Proposed Special
Environmental Analysis**

Dear Mr. Mansueti:

The City of Alexandria, Virginia ("Alexandria") hereby submits the following comments in response to the notice of emergency action published in the Federal Register on January 20, 2006 by the U.S. Department of Energy ("DOE") entitled "Emergency Order To Resume Limited Operation at the Potomac River Generating Station, Alexandria, VA, in Response to Electricity Reliability Concerns in Washington, D.C." (71 Fed. Reg. 3279). Alexandria incorporates by reference its objections pertaining to the DOE's Emergency Order ("Order") and the Operating Plan submitted by the Mirant Corporation as set forth in Application for Rehearing filed with the DOE on January 19, 2006 (appended hereto as Attachment 1).

The Application for Rehearing challenges the DOE Emergency Order and the Mirant Operating Plan on the following bases: (i) there is no statutory basis for the Order, (ii) the Order violates federal and state environmental laws, (iii) the Order fails to implement alternative measures to mitigate electricity reliability concerns, and (iv) the Order fails to evaluate the public health and environmental impacts of the Mirant Operating Plan. Put simply, the Application for Rehearing challenges the validity of the Order and the efficacy and credibility of the proposed Operating Plan for the Mirant Potomac River Generating Station ("PRGS"). The comments set out below address the DOE's proposed Special Environmental Analysis ("SEA").

BACKGROUND

The National Environmental Policy Act ("NEPA"), 42 U.S.C. § 4321 *et seq.*, requires that, in the event of an agency action that may significantly affect the quality of the human environment, the federal agency must prepare a detailed statement on the environmental impact of the action and alternatives to the proposed action. 42 U.S.C. § 4332(c). The DOE did not

prepare such a statement. Rather, it invoked the provision of the Council on Environmental Quality ("CEQ") regulations that accommodate an emergency federal agency action resulting in significant environmental impact without first conducting a NEPA review. In such a situation, the agency must consult with CEQ to determine alternative arrangements to a pre-action environmental impact statement.

DOE consulted with the CEQ on December 20 and 22, 2005, and January 13 and 17, 2006 and memorialized its proposed alternative arrangements in an exchange of letters between the two agencies on January 18, 2006. In its January 18, 2006 letter, the DOE stated that it issued its Order despite "potentially significant environmental impacts" and "without observing all of the normal provisions of the CEQ Regulations for Implementing the Procedural Requirements of [NEPA]." The DOE's proposed alternative arrangements include (i) the preparation by August 2006 of an SEA to determine the impacts of the Order and alternatives and mitigation for future DOE action and (ii) the opportunity for public comments on the Order, the Mirant Operating Plan and the proposed SEA.

SCOPE OF SEA

Alexandria disputes the emergency nature of DOE's Order and the resultant reliance on a post-hoc SEA to determine the impacts of the DOE's action on the public health and the environment. The DOE proposes to finalize the SEA in August 2006, only one month before the DOE Order expires. Thus, there will be no public health and environmental analysis throughout the duration of this Order. Any showing of adverse impact by the SEA will be after the imposition of the harm. Pursuant to DOE's Order, the PRGS's emissions will continue to exceed the National Ambient Air Quality Standards ("NAAQS")--a violation of federal and state environmental laws--before analysis and mitigation. The DOE's timetable is woefully inadequate for the protection of the health and welfare of the residents of Alexandria.

Furthermore, the scope of the proposed SEA is not sufficiently defined in the public notice. In light of the significant environmental impacts of the DOE's Order, the SEA should be consistent with the requirements of a NEPA environmental impact statement including, but not limited to (i) a comprehensive determination of the environmental impact of the Order, (ii) an evaluation of alternatives to the Order, (iii) identification of mitigation for any adverse public health and environmental effects, and (iv) identification of any irreversible and irretrievable commitments of resources related to the continuation of the Order. Also, the SEA should consider and propose remedies, such as comprehensive demand response programs, installation of temporary back-up electricity generating equipment and other administrative or regulatory mechanisms to alleviate the DOE's emergency, that allow compliance with all applicable federal and state environmental laws, regulations and standards, and accommodate fully the health, safety and welfare of the residents of Alexandria.

PUBLIC HEALTH AND ENVIRONMENTAL IMPACTS

The Mirant PRGS is a sixty-year-old, obsolete, coal-burning power plant adjacent to and nearby densely populated residential areas. Its continued operation will result in adverse public health and environmental consequences. Accordingly, the SEA must include, but not be limited to, the following:

Comprehensive Analysis of the Impacts of All Criteria Pollutants. The Mirant proposed Operating Plan focuses on limiting the emissions of only one pollutant--sulfur dioxide ("SO₂"). There are many other pollutants that negatively affect the environment and the health of the residents of Alexandria. These include other criteria pollutants such as nitrogen dioxide ("NO₂"), carbon monoxide ("CO") and particulate matter. Neither DOE nor Mirant has focused on the broad impacts of any operating scenario proposed by Mirant. For example, the Mirant Operating Plan completely ignores analysis of the PRGS's fine particulate matter ("PM_{2.5}") emissions, which have a serious detrimental effect on human health. In a June 25, 2005 report entitled "Review of the National Ambient Air Quality Standards for Particulate Matter: Policy Assessment of Scientific and Technical Information," the U.S. Environmental Protection Agency ("EPA") identified a broad range of adverse health effects from both short and long-term exposure to PM_{2.5}, including an increase in pulmonary and cardio-vascular illnesses and diseases and adverse effects on human development such as low birth weight and infant mortality. The SEA must evaluate the impacts of all criteria pollutants, in particular PM_{2.5}, emitted from the PRGS, with particular attention to the downwash effects of the plant's emissions caused by the short emissions stacks.

Comprehensive Analysis of the Impacts of Hazardous Air Pollutants. Prior to the shutdown of the PRGS in August 2005, air quality analyses showed elevated levels of hazardous air pollutants ("HAPs") emitted from the PRGS, in particular, the acid gases of hydrogen fluoride and hydrogen chloride and the trace metals. The SEA should evaluate these and other HAPs as set out in the EPA's AP-42 Compilation of Air Pollutant Factors for coal-fired utility boilers burning bituminous coal.

It should be noted that EPA based its action to remove coal-burning power plants from the Maximum Achievable Control Technology ("MACT") requirements for HAPs on assumptions that are inapplicable to the PRGS. These assumptions include (i) overall reductions of HAPs from new source performance standards and the NO_x SIP Call Rule, all premised on advanced technology that cannot be implemented at the PRGS, (ii) cap and trade programs used effectively only by large power plants because of economies of scale and capital investment issues, and (iii) the understanding that coal-fired plants are sited away from densely populated residential communities. Furthermore, EPA has recently initiated a reconsideration of its decision to remove facilities such as the PRGS from the MACT requirements, pending a review of its public health thresholds. Accordingly, the SEA should evaluate HAPs impacts against the significant ambient air concentration ("SAAC") guidelines set out in the Virginia Code, that if exceeded have the potential to injure human health, and anticipate proposed modifications to the federal MACT regime.

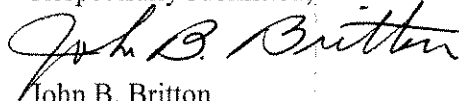
The SEA Must Determine Compliance with the Virginia State Implementation Plan.

As set out in Alexandria's Application for Rehearing, the DOE Order violates the Clean Air Act because Section 176(c)(1) of the Act requires that DOE's action conform to Virginia's State Implementation Plan ("SIP"). *See* 42 U.S.C. § 7506(c)(1). Virginia's SIP is an appropriate measure of compliance with the law and a guide for the SEA process. Its purpose is to eliminate or reduce the number of exceedances of the NAAQS for, among other things, SO₂, NO₂ and particulate matter. In light of Alexandria's status as a non-attainment area for ozone and PM_{2.5}, the need to determine conformity is compelling. Accordingly, the SEA must fully analyze whether the DOE's action causes or contributes to any violation of the NAAQS.

The SEA Must Calculate the Deposition Metal Load to the Surrounding Watershed and Soils. Due to the combustion of coal at the PRGS, the plant's emissions contain arsenic, beryllium, lead, chromium, cadmium, nickel and mercury. Due to its location immediately adjacent to the Potomac River and other nearby tributaries of the Chesapeake Bay watershed, the SEA must determine the level of aquatic impairment as a result of the PRGS's emission of these metals. Accordingly, the SEA should calculate total loads of these and other metals through both wet and dry deposition to the nearby watershed. The reactivation of the PRGS also increases the level of soil contamination. The SEA should include, therefore, a deposition analysis of the soil in the vicinity of the plant site and in the nearby communities.

The SEA Should Thoroughly Analyze Mirant's Use of Trona. Mirant's proposed Operating Plan relies on the injection into the coal combustion process of sodium sesquicarbonate—Trona: T-200® ("Trona") to reduce emissions of SO₂. There has been no analysis of the impact of such extensive and sustained use of Trona in the coal combustion process. The SEA must evaluate the impact not only on SO₂ emissions but also on the emissions of all other pollutants, in particular PM_{2.5} and the acid gases. In addition, the unreacted Trona itself may be a pollutant. Some portion of the unreacted Trona is expected to be silica, an acutely toxic substance even in very small quantities and a federally regulated air toxic pollutant. Trona use in other power plants indicates that slagging--the accumulation of unreacted Trona and flyash upstream of the baghouse--occurs and is a serious operational problem. The SEA also should evaluate the effects of Trona on the watershed and the environmental impacts of a significant increase in truck traffic to the PRGS site for delivery of Trona and removal of any by-product of the use of Trona.

Respectfully submitted,



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COMMONWEALTH of VIRGINIA

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Re: Docket No. EO-05-01

Dear Mr. Mansueti:

For filing in the above-referenced proceeding, enclosed please find the Supplemental Comments of David K. Paylor, Director of the Commonwealth of Virginia's Department of Environmental Quality.

Yours truly,

A handwritten signature in black ink, appearing to read "Mathias Roussy".

D. Mathias Roussy, Jr.
Assistant Attorney General

Enclosure

cc: Service List (via electronic mail)

**UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY**

District of Columbia Public Service Commission

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)
)

Docket No. EO-05-01

**SUPPLEMENTAL COMMENTS OF
DAVID K. PAYLOR, DIRECTOR OF THE
VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY**

I. INTRODUCTION

Pursuant to Department of Energy ("DOE") Order No. 202-06-1 issued February 17, 2006, David K. Paylor ("Director"), Director of the Virginia Department of Environmental Quality ("DEQ"), through his counsel Robert F. McDonnell, the Attorney General of Virginia, submits these comments concerning the operation of the Potomac River Generation Station Power Plant ("Potomac River Power Plant" or "Plant"), owned by Mirant Potomac River, LLC ("Mirant") and located in Alexandria, Virginia.¹ The Director also hereby incorporates all of the pleadings that he and his predecessor have filed in this proceeding, including his Request for Rehearing and Clarification of Order No. 202-05-3 filed on January 19, 2006.

The impending ozone season and summer electric peaks underscore the need for a timely rehearing order that modifies DOE Order No. 202-05-3 in a manner that

¹ The Plant initially shut down after receiving an August 19, 2005, letter from the Director's predecessor indicating that failure to take immediate action necessary to ensure protection of human health and the environment would result in a violation of Virginia law. *See* Motion of Director Robert G. Burnley, Attachment A (Oct. 12, 2005). On December 20, 2005, the Secretary of Energy entered DOE Order No. 202-05-3 requiring Mirant to resume operations to address reliability concerns raised by the District of Columbia Public Service Commission ("DC PSC").

recognizes the Commonwealth of Virginia has the authority to effectively implement state and federal laws designed to protect the health and welfare of its citizens. Should the Secretary of Energy ("Secretary") decline to modify his order pursuant to prior filings made by the Director, the Secretary should nevertheless modify his order so that the public health and welfare are preserved by all means available, including measures discussed below.

II. COMMENTS

A. The Mandated Operation of the Potomac River Power Plant Continues to Compromise the Public Health of Virginia Citizens.

DOE Order No. 202-06-1 specifically requests "comment concerning the operation of the Potomac River [Power Plant] during the days in January 2006 when it was required to operate pursuant to ordering paragraph A of Order No. 202-05-3."

Ordering paragraph A of DOE Order No. 202-05-3 provides:

During any period in which one or both of the 230 kV lines serving the Central D.C. area is out of service, whether planned or unplanned, Mirant will operate the [Plant] to produce the amount of power (up to its full capacity) needed to meet demand in the Central D.C. area as specified by PJM for the duration of the outage.

...

When producing electricity pursuant to this paragraph, Mirant shall utilize pollution control equipment and measures to the maximum extent possible to minimize the magnitude and duration of any exceedance of the [National Ambient Air Quality Standards ("NAAQS")].

It is the Director's belief and understanding that the Plant operated pursuant to ordering paragraph A for approximately 21 days during January and that such operation posed a

significant health risk to Virginians.² Every day the pollutant emissions from the Plant's operations exceed air quality standards the health of Virginians is placed at risk. This harm will not subside until actions are completed that satisfactorily reduce and limit the environmental hazards posed by operation of the Plant.³

B. The Potomac River Power Plant Should Not Unnecessarily Operate at Levels That Can Be Mitigated Through Approved Transmission Upgrades.

The recent DC PSC Order granting approval of the Potomac Electric Power Company's ("PEPCO") application to construct two new 69 kV circuits and two new 230 kV circuits to address Central D.C. reliability concerns is welcomed as both timely and proper.⁴ Based on the current projected in-service date of July 1, 2006, it appears likely that the two new 69 kV circuits terminating at the Blue Plains Wastewater Treatment Plant ("Blue Plains") will be in service before Order No. 202-05-3 expires, is terminated by the Secretary, or is reversed by an appellate court.⁵ Assuming this is the case, certain statements made during the DC PSC evidentiary hearing about how the new 69 kV lines will function raise an additional important issue for consideration on rehearing.⁶

² See Supplement No. 5 to Mirant's Operating Plan, Revised Exhibit D: Mirant Potomac River Schedule of Unit Operations (Feb. 16, 2006)(indicating the Plant operated pursuant to ordering paragraph A on January 7th through 19th, 21st through 28th).

³ DOE Order No. 202-06-1 also requests "comments and information concerning the plant's current operational status." With respect to the current status of the Plant when there is not an outage of the existing 230 kV lines that supply the Central D.C. area, it is the Director's understanding that two units equipped with trona systems are regularly operating. See Supplement No. 5 to Mirant's Operating Plan, Revised Exhibit D: Mirant Potomac River Schedule of Unit Operations. The Director does not believe that operation of these units equipped with trona systems has resulted in NAAQS violations.

⁴ Order No. 13895, *In the Matter of the Emergency Application of the Potomac Electric Power Company for a Certificate of Public Convenience and Necessity to Construct Two 69 kV Overhead Transmission Lines and Notice of the Proposed Construction of Two Underground 230 kV Transmission Lines*, DC PSC Formal Case 1044 (hereinafter "DC PSC FC1044")(Mar. 6, 2006).

⁵ See PEPCO and PJM, February 2006 Progress Report at 2, FERC Docket No. EL05-145 (Mar. 8, 2006).

⁶ DC PSC FC1044.

A rehearing order should require that the new 69 kV circuits, once they are in service, be used to mitigate the public health impact of operating the Plant pursuant to ordering paragraph A of Order No. 202-05-3. The new 69 kV lines will be available to reduce reliance on the Plant to generate power and provide system reliability. They will offer additional sources of power available to Blue Plains and, thus, should be called upon before – and in order to avoid – operation of the Plant in violation of state and federal law.

The Secretary should not authorize the Potomac River Power Plant to operate at unnecessary levels if the two 69 kV circuits recently approved by the DC PSC can provide service to Blue Plains, and thereby mitigate the environmental harm caused by operation of the Plant. In the PEPCO transmission line application filed with the DC PSC, PEPCO stated that:

The construction and installation of these 69 kV circuits is needed as an immediate measure to ensure that Pepco is prepared to meet the peak load for the summer of 2006. It makes it possible to remove WASA's Blue Plains Substation from Pepco's Potomac River Substation and resupply it from Pepco's Palmer's Corner Substation in Prince George's County. This step would be taken during the summer 2006 load period to reduce the Potomac River load to close to the 475 MVA PJM local load relief warning threshold as described in Exhibit A. It also enables Pepco to provide a reliable contingency supply to the Blue Plains Wastewater Treatment Facility in the event that the electrical supply to this critical customer is lost.⁷

In the DC PSC formal evidentiary hearing, however, a Company witness testified regarding the 69 kV circuits as follows:

That's why we're pushing to have that done by this summer so that we have those lines, we have that ability to transfer Blue [Plains] over to

⁷ Emergency Application and Notice of the Potomac Electric Power Company, DC PSC FC1044 at 8-9 (Oct. 12, 2005).

another supply *in the event that something was to happen at Potomac River.*⁸

...

The 69 kV lines really are only focused on a specific location, Blue [Plains]. We're providing *additional support and backup* to that facility alone.⁹

While comments subsequently filed in the related Federal Energy Regulatory Commission proceeding appear to anticipate the proper utilization of the 69 kV circuits, the above testimony in the DC PSC evidentiary hearing appears to contemplate using the 69 kV circuits as a "backup" source of supply, serving Blue Plains during this summer *only if* supply from the Potomac River Power Plant is not available.¹⁰ For this reason, the Director seeks clarification of this matter.

C. To Clarify How the New 69 kV Circuits Will Be Used Requires the Secretary to Modify the Scope of Order No. 202-05-3 With Respect to PJM and/or PEPCO.

In clarifying how the new 69 kV circuits will be used, as requested above, it is important to modify the scope of Order No. 202-05-3 to include an obligation on either PJM Interconnection LLC ("PJM") or PEPCO so that NAAQS exceedances allowed under the order can be avoided or minimized.¹¹ When one of the existing 230 kV circuits is not operational, ordering paragraph A currently requires only that Mirant must "utilize pollution control equipment and measures to the maximum extent possible to minimize

⁸ Tr. at 36, ll. 18-22, DC PSC FC1044 (formal hearing Feb. 2, 2006) (emphasis added).

⁹ Tr. at 55, ll. 7-9, DC PSC FC1044 (formal hearing Feb. 2, 2006) (emphasis added).

¹⁰ Potomac Electric Power Company and PJM Interconnection, L.L.C., Joint Reliability Plan, Attachment A at 6, Federal Energy Regulatory Commission Docket No. EL05-145-000 (Feb. 8, 2006)(public or confidential version).

¹¹ The Secretary of Energy's FPA § 202(c) authority extends to the "generation, *delivery*, interchange, or *transmission* of electric energy as in its judgment will best meet the emergency and serve the public interest." 16 U.S.C. § 824a(c)(emphasis added).

the magnitude and duration of any exceedance of the NAAQS.” Because Mirant does not own or operate the 69 kV lines, the rehearing order should clarify whose obligation it is to ensure that the 69 kV lines are used to address D.C.’s reliability concerns and reduce the need to operate the Potomac River Plant.

To the extent PEPCO lines – the new 69 kV circuits or other transmission facilities – can be used to minimize the magnitude and duration of NAAQS exceedances allowed under Order No. 202-05-3, the Director expects that obligation would fall to a party other than Mirant. PJM is the transmission system operator. Nothing in the order, however, requires PJM to consider impact on public health when conducting its security-constrained economic dispatch of generating units in the affected area. Therefore, nothing currently requires PJM to utilize the new 69 kV circuits once they are in service, even if such use would avoid or minimize NAAQS exceedances resulting from operation of the Potomac River Power Plant pursuant to ordering paragraph A. Similarly, there is no obligation on PEPCO to use its transmission facilities to avoid or mitigate NAAQS exceedances. Accordingly, the scope of the order should be modified so that PEPCO and/or PJM are required to use the new 69 kV circuits to avoid, or to minimize the magnitude and duration of, any NAAQS exceedance resulting from the Plant’s operation under the order.

III. CONCLUSION

The Director submits these comments pursuant to DOE Order No. 202-06-1. Operation of the Potomac River Power Plant that results in air pollutant emissions in excess of air quality standards, as authorized by ordering paragraph A of Order No. 202-05-3, continues to place the health of Virginians at risk. If the Secretary continues to

require the Plant to operate, the Director requests that the Secretary clarify that PEPCO's new 69 kV circuits to the Blue Plains Wastewater Treatment Plant be utilized in the future to mitigate the harm to Virginia's citizens and environment caused by the Potomac River Power Plant's operation under ordering paragraph A. To that end, the Director also requests that the scope of Order No. 202-05-3 be modified to obligate PJM and/or PEPCO to use PEPCO's new 69 kV circuits to avoid, or to minimize the magnitude and duration of, any NAAQS exceedance resulting from the Plant's operation under the order.

Respectfully submitted,
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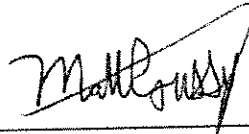
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March 23, 2006

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was on this day served by electronic mail on the persons listed below.

Dated at Richmond, Virginia, this 23rd day of March, 2006.



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MIRANT ISSUES TRACKING MATRIX

Updated 03-31-2006

Bold formatting has been used in "Status" column to indicate the most recent updates.

Area	Actions to be Undertaken	City Role and Responsibility	Status
1. Land Use Regulations	Revocation of Special Use Permit No. 2296 granted to Mirant's predecessor in 1989.	City Attorney's Office and Planning and Zoning Department to undertake necessary actions.	Revoked by City Council December 18, 2004; lawsuit filed by Mirant January 18, 2005. Trial occurred January 10 – 12, 2006. Final order, not in City's favor, entered on February 24 th 2006; notice of appeal filed on March 17 th 2006 with the City's Petition for appeal due by May 24 th , late summer/fall decision on whether State Supreme Court to accept the case.
	Revocation of Special Use Permit No. 2297 granted to Mirant's predecessor in 1989.	City Attorney's Office and Planning and Zoning Department to undertake necessary actions.	Revoked by City Council December 18, 2004; lawsuit filed by Mirant January 18, 2005. Trial occurred January 10 – 12, 2006. Final order, not in City's favor, entered on February 24 th 2006; notice of appeal filed on March 17 th 2006 with the City's Petition for appeal due by May 24 th , late summer/fall decision on whether State Supreme Court to accept the case.
	Revocation of the non-complying use status of the Potomac River plant and making it a nonconforming use.	City Attorney's Office and Planning and Zoning Department to undertake necessary actions.	Revoked by City Council December 18, 2004; lawsuit filed by Mirant January 18, 2005. Trial occurred January 10 – 12, 2006. Final order, not in City's favor, entered on February 24 th 2006; notice of appeal filed on March 17 th 2006 with the City's Petition for appeal due by May 24 th , late summer/fall decision on whether State Supreme Court to accept the case.

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
2. NOx Reduction	<p>Comments on the NOx Consent Decree filed in federal court on September 27, 2004, that requires Mirant to undertake several measures to address NOx and other emissions at Alexandria plant.</p>	<p>T&ES and City consultants preparing comments on proposed NOx consent decree.</p>	<p>Proposed comments on NOx consent decree were considered by the City Council at the October 26, 2004 meeting. City comments were submitted to DOJ on November 8, 2004.</p> <p>Comment period was extended and is now closed.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p> <p>Revised Consent Decree will be subject to formal Public Comment period. City intends to formally submit comments.</p>
	<p>Comments on the amendments to Virginia DEQ operating permit for Potomac River plant that have been proposed based on the NOx Consent Decree.</p>	<p>T&ES and City consultants will prepare comments on proposed amendments.</p>	<p>City comments on amendments were docketed for Council consideration at the October 26, 2004 meeting and were submitted to State on October 28, 2004.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	Under the NOx consent decree, Mirant is required to install Separated Over-Fire Air (SOFA) and low-NOx burners on Units 3, 4, and 5.	If NOx Consent decree is approved, T&ES and City consultants will track progress on installation of this equipment. (This will also be one of the tracking items for the facility audit.)	Installation of this equipment is required by May 2005. Mirant completed installation of low-NOx burners in December 2004. Unit 5 SOFA was completed on March 28, 2005 Unit 3 SOFA was completed on May 16, 2005 Unit 4 SOFA was completed on June 13, 2005
	Outside of the NOx consent decree, Mirant is pursuing the installation of low-NOx burners on Units 1 and 2.	T&ES, City Attorney and the consultants will track progress on installation of this equipment. (This will be one of the tracking items for the facility audit.)	Mirant completed this work in December 2004.

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	<p>Under the consent NOx consent decree, maximum ozone season NOX caps are imposed on the Potomac River plant and the other regional Mirant facilities.</p>	<p>T&ES and City consultants will track compliance with these caps. (This will be one of the tracking items for the facility audit.)</p>	<p>Potomac Plant emissions on declining schedule to 1,475 tons by 2010.</p> <p>Mirant system-wide ozone season emissions are on a declining schedule to 5,200 tons by 2010.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p> <p>The proposed Clean Power Rules -2005 in MD appears to require reductions comparable to the ones proposed in the Consent Decree at Mirant's MD plants. In other words, Mirant's MD Plants will be required to make reductions in the NOx emissions regardless of the consent decree.</p> <p>Revised Consent Decree will be subject to formal Public Comment period. City intends to formally submit comments.</p>
	<p>Under the NOx consent decree, a maximum annual NOx cap is imposed on the system (comprised of four Mirant regional facilities).</p>	<p>T&ES and City consultants will track compliance with these caps. (This will be one of the tracking items for the facility audit.)</p>	<p>Mirant system-wide annual emissions are on a declining schedule to 16,000 tons by 2010.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p> <p>Revised Consent Decree will be subject to formal Public Comment period. City intends to formally submit comments.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	<p>Under the NOx consent decree, a maximum ozone season NOx cap is imposed on the system (comprising of four Mirant regional facilities).</p>	<p>T&ES and City consultants will track compliance with these caps. (This will also be one of the tracking items for the facility audit.)</p>	<p>By 2008, Mirant system-wide is to be at an ozone season emissions rate of 0.15 lb/MMBTU.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree</p> <p>The proposed Clean Power Rules -2005 in MD appears to require reductions comparable to the ones proposed in the Consent Decree at Mirant's MD plants. In other words, Mirant's MD Plants will be required to make reductions in the NOx emissions regardless of the consent decree.</p> <p>Revised Consent Decree will be subject to formal Public Comment period. City intends to formally submit comments.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
<p>3. Fine Particulates (including PM2.5 and PM10)</p>	<p>Under NOx consent decree, as a Supplement Environmental Project (SEP), Mirant is required to install bottom ash and fly ash silo secondary filtration system using secondary baghouses.</p>	<p>T&ES and City consultants will track progress on the installation of this equipment. (This will be one of the tracking items for the facility audit.)</p>	<p>Mirant is to submit plans for this equipment to VADEQ within 90 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires the installation of this equipment by September 2005.</p> <p>Mirant is pursuing the project with an improved design. Vented air from silos will be ducted to Unit 1 precipitator. Mirant expects installation during August/September 2005. All materials are on-site and Mirant's contractor plans to start installation on October 3, 2005.</p> <p>Piping installation is complete and the vent system has been in operations since 12/13/05.</p>
	<p>Under NOx consent decree, as a SEP, Mirant is required to install an upgrade to the ash loading equipment (pug mill style ash loader on 3rd ash silo).</p>	<p>T&ES and City consultants will track progress on the installation of this equipment. (This will be one of the tracking items for the facility audit.)</p>	<p>Mirant is to submit plans for this equipment to VADEQ within 90 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires the installation of this equipment by June 2006.</p> <p>Bid process underway. Installation planned for summer of 2006.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	Under NOx consent decree, as a SEP, Mirant is required to equip ash loading system with dust suppression system.	T&ES and City consultants will track progress on the installation of this equipment. (This will be one of the tracking items for the facility audit.)	<p>Mirant is to submit plans for this equipment to VADEQ within 90 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires its installation no later than June 2005.</p> <p>Installation was completed on all three ash silos on September 9, 2005.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p>
	Under the NOx consent decree, as a SEP, Mirant is required to install a truck washing facility.	T&ES and City consultants will track progress on the installation of this facility. (This will be one of the tracking items for the facility audit.)	<p>Mirant is to submit plans for this facility to VADEQ within 90 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires its installation no later than June 2005.</p> <p>Truck wash was installed in June 2004 and is used daily except for periods of below freezing weather in winter.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
<p>4. Coarse Particulate (including particulates > PM10)</p>	<p>Under the NOx consent decree, as a SEP, Mirant is required to install coal pile wind erosion and dust suppression system.</p>	<p>T&ES and City consultants will track progress on the installation of this system. (This will also be one of the tracking items for the facility audit.)</p>	<p>Mirant is to submit plans for this system to VADEQ within 30 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires its installation by April 2005.</p> <p>The dust suppression system was installed in May 2004.</p> <p>Installation of fencing and screening material was completed on February 23, 2005.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p>
	<p>Under the NOx consent decree, as a SEP, Mirant is required to install a coal stackout conveyor dust suppression system.</p>	<p>T&ES and City consultants will track progress on the installation of this system. (This will also be one of the tracking items for the facility audit.)</p>	<p>Mirant is to submit plans for this system to VADEQ within 30 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires this system to be installed by December 2004.</p> <p>Mirant has completed installation.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	<p>Under the NOx consent decree, as a SEP, Mirant is to install a coal railcar unloading dust suppression system.</p>	<p>T&ES and City consultants will to track progress on the installation of this system. (This will also be one of the tracking items for the facility audit.)</p>	<p>Mirant to submit plans for this system to VADEQ within 90 days after the entry of the NOx consent decree.</p> <p>The NOx consent decree requires this project to be completed by June 2006.</p> <p>Mirant expects completion during Spring of 2006. Completed on 1/28/2005. (Advanced from Spring 2006)</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	<p>Under the NOx consent decree, as a SEP, Mirant is required to conduct a settled dust study.</p>	<p>T&ES and City consultants will track progress on this study and evaluate its findings and results. (This will be one of the tracking items for the facility audit.)</p>	<p>Mirant to submit plans for this study to VADEQ within 60 days after the entry of the NOx consent decree.</p> <p>The study is to begin no later than November 2004 and be completed within 6 months.</p> <p>Mirant conducted preliminary sampling in 2004. Mirant submitted the study protocol to VADEQ in May 2005 and commenced data collection in June 2005. Analysis and final report due 02/2006.</p> <p>Data collection was interrupted when plant went offline in August 2005. Samples taken from June 2005 until that date have been collected but have not been forwarded for analysis until recently. Analysis and final report expected within 3 months.</p> <p>Parties claiming financial interests in Mirant's Morgantown and Dickerson plants in MD have sought to intervene and oppose the consent decree.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
<p>5. Downwash Study Consent Order</p>	<p>The Downwash Study consent order between VADEQ and Mirant requires Mirant to prepare protocols that define, and to undertake, a refined modeling analysis to assess the effects of "downwash" from the Potomac River plant on ambient concentrations of SO₂, NO₂, CO, PM₁₀, and Mercury in Alexandria.</p>	<p>T&ES will ensure that the community is able to review the protocols that Mirant has prepared for this study.</p> <p>T&ES and City consultants will review and comment on adequacy of the protocols. Based on this review, City may determine to undertake its own "downwash" modeling study.</p>	<p>Mirant submitted a modeling protocol in October 2004. The protocol was discussed with members of Mirant Community Monitoring Group on December 2, 2004. After input from community and City consultants, the final comments were forwarded to VADEQ on December 30, 2004. VADEQ provided comments on the protocol to Mirant on February 10, 2005 and asked Mirant to submit an amended protocol by March 30, 2005. On March 2, 2005, City staff submitted a letter to VADEQ clarifying City's requests on certain items that were not clearly specified in VADEQ's comments to Mirant. Mirant submitted revised protocols to VADEQ on March 28, 2005. City received a copy of the protocol on April 1, 2005, and submitted comments to VADEQ on April 18, 2005. City submitted additional comments on the revised protocol to VADEQ on May 2, 2005. VADEQ approved the protocol (with additional comments) on June 17, 2005.</p> <p>Mirant's modeling showed violations of NAAQS for all major criteria pollutants, i.e., NO_x, SO₂, CO and particulate matter (PM-10 and PM-2.5).</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	<p>VADEQ will undertake its own modeling analysis to assess the effects of "downwash" from the plant on ambient concentrations of other toxic pollutants in Alexandria.</p>	<p>This is <u>not</u> specifically in the Downwash Study consent order, but, VADEQ staff has assured City of their plans to conduct this analysis independently.</p> <p>T&ES and City consultants will work with VADEQ on this analysis. Based on review of VADEQ's analysis, City may determine to undertake its own modeling analysis and study.</p>	<p>All analysis to be performed will be coordinated with VADEQ.</p> <p>City provided Mirant an itemized list of data needs in case the City undertakes its own modeling analysis. Mirant's data response was received on April 1, 2005. City sent a follow-up to the original request on April 29, 2005. Mirant provided additional data on June 3, 2005.</p> <p>The modeling conducted by City's consultant showed violations of NAAQS for all major criteria pollutants including PM2.5 and ambient guidelines for some hazardous air pollutants (HF and HCl).</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
	<p>Under the Downwash Study consent order, Mirant is to propose and implement a corrective action plan to address any exceedances of the applicable ambient air standards.</p>	<p>Staff and City consultants will monitor, evaluate and provide comments to DEQ when the action plan is proposed.</p>	<p>The Downwash Study consent order requires Mirant to submit the corrective action plan within 90 days of submitting the results of its modeling study.</p> <p>Mirant's and City's modeling showed violations of NAAQS for all major criteria pollutants. On August 24, 2005, Mirant temporarily shut down all five boilers at the plant in response to VADEQ orders to reduce pollution.</p> <p>On September 21, 2005, Mirant commenced limited operation of Unit No. 1 based on a revised modeling analysis submitted to VADEQ on September 20, 2005. VADEQ expressed serious reservations about the revised modeling and underlying assumptions in a letter to Mirant dated September 20, 2005. In an internal review of the revised modeling, City has also identified serious concerns regarding the assumptions and scenarios included in the analysis.</p> <p>Oct 14, 2005: Mirant requested VADEQ to permit TRONA testing on Unit 1.</p> <p>Oct 24, 2005: City sent letter to VADEQ expressing concerns regarding various issues including concerns with TRONA testing, baseline assumption, and highlighted lime testing that plant conducted without VADEQ approval.</p> <p>Oct 27, 2005: VADEQ requested Mirant to submit formal protocols for testing TRONA.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
			<p>Nov 8, 2005: VADEQ approved Mirant's TRONA testing protocol.</p> <p>Nov 12 to Dec 23, 2005: Mirant performed the testing of TRONA and lower-sulfur coal.</p> <p>Jan 17, 2006: Mirant submitted to DOE the TRONA test results marked as Confidential Business Information, along with a brief non-confidential summary of the tests. In the non-confidential summary, Mirant claims to have achieved 80% SO₂ reduction, improved ESP performance, and reduced PM-10 emissions through the use of TRONA. The City has expressed serious reservations to VADEQ and EPA regarding the validity of PM-10 test results and the claims of improved ESP performance, and has requested VADEQ and EPA to require additional PM-10 and PM-2.5 testing of ESP inlet and outlet for both baseline and TRONA scenarios.</p> <p>On March 7, 2006, the City met with EPA Region III and VADEQ at EPA offices in Philadelphia, PA to discuss Mirant's modeled violations. The City impressed upon EPA and VADEQ the need to evaluate PM-2.5 emissions via modeling. EPA informed the City of a letter EPA sent to Mirant citing them for non-compliance with SO₂, NOx and PM-10 NAAQS in December 2005. EPA and VADEQ are currently negotiating a settlement agreement with Mirant. The City provided comments expressing our concerns to EPA and VADEQ after the meeting, and</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
			invited EPA to attend the MCMG meeting on April 3, 2006.
6. Independent Facility Audit funded by Mirant	A memorandum of understanding between City and Mirant will be prepared regarding regular, periodic performance audits of Potomac River plant by an independent firm, to be funded by Mirant.	T&ES will work with Mirant to finalize MOU on scope, frequency, and other issues related to the audit.	<p>Mirant has agreed to the concept of a regular plant audit.</p> <p>City provided Mirant with a list of items to include in the audit. Mirant's response was received on April 1, 2005. City sent a follow-up to the original request on April 29, 2005.</p> <p>As of 2005, Mirant was in discussions with a consultant to conduct these audits. The staff is following up with Mirant to get it started as soon as possible. The funding for these audits is to come from Mirant.</p> <p>Mirant has decided not to continue with the audit.</p>
7. Virginia Legislation	City will support passage of the Virginia Clean Smoke Stacks bill during 2005 session of General Assembly.	<p>Bernard Caton, T&ES and City Attorney's will provide input in the legislative process.</p> <p>Staff will continue to track the developments on any new regulations that potentially impacts the operation of the plan</p>	<p>HB 2546 (Van Landingham) was defeated in the House Committee on Agriculture, Chesapeake and Natural Resources. HB 2742 (Jack Reid) was also defeated in the House Committee on Agriculture, Chesapeake and Natural Resources.</p> <p>On Dec 8, 2005, VADEQ in State Air Pollution Board Meeting sought authorization to develop and propose amendments to regulations for control of NOx, SOx (Clean Air Interstate Rule) and Mercury (Clean Air Mercury Rule). The plans and associated regulations to implement Clean Air Interstate Rules and Clean Air Mercury Rules are due September 11, 2006 and November 17, 2006. The State Air Pollution Board put a hold and asked VADEQ staff to propose alternatives that</p>
Virginia Regulations			

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
			<p>are more stringent.</p> <p>In 2007, HB1055, Virginia Clean Smoke Stacks Bill passed both house and senate and awaiting Governor's signature. It allows smaller units that generate less than 200 lbs of mercury to participate in the Mercury trading program (Mirant facility in Alexandria generates approx 77 lbs will be exempt from its requirements).</p>
<p>8. Litigation Options</p>	<p>City will consider, when appropriate, pursuing litigation against the Potomac River plant under various statutory and common law theories.</p>	<p>City Attorney's Office and its consultants will evaluate the litigation options.</p>	<p>On October 7, 2005, the City filed a lawsuit seeking the closure of the Potomac River Plant as a public and private nuisance. Under Virginia law, a nuisance is an activity or land use which endangers life or health, gives offense to the senses, violates the laws of decency, or obstructs the reasonable and comfortable use of property, including the discharge of dangerous or unhealthy substances which have escaped, spilled been released or allowed to accumulate in or on any place. This suit was filed in Alexandria Circuit Court.</p> <p>Trial presently scheduled on October 2-4, 2006; hearing scheduled for April 24, 2006. Mirant's demurrer and Alexandria's motions to compel production of documents and access to site.</p>
<p>9. Representation in Bankruptcy Court</p>	<p>City will consider entering appearance in Mirant bankruptcy proceeding.</p>	<p>City Attorney's Office and its consultants will evaluate this issue.</p>	<p>On December 5, 2005, the U.S. Bankruptcy Court in Ft. Worth Texas confirmed Mirant's Chapter 11 plan of reorganization. The Court order confirming the plan expressly recognizes and preserves the City's rights to maintain all pending and prospective enforcement actions against the Potomac River Plant.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
10. New Federal Air Quality Regulatory Actions	<p>Three federal air quality actions are underway:</p> <ul style="list-style-type: none"> (1) PM2.5 designations (2) Implementation of new 8 hour standard for ozone (3) NOx and SO₂ reductions from sources in eastern U.S. (4) New limits on mercury emissions from power plants. 	<p>T&ES, City Attorney and City consultants will track these new federal regulations and their impacts on the City.</p>	<p>Substantively concluded, no prejudice to City's enforcement actions.</p> <p>PM2.5 designations occurred in December 2004.</p> <p>EPA to propose implementation rule in February 2005 and finalize the rules in Early 2006.</p> <p>Staff continues to track Clean Power Act, Clear Skies Act, Clean Air Interstate Rule, Utility mercury reduction rule.</p> <p>The region's deadline to achieve compliance with 8-hr Ozone and the PM2.5 standard in 2010.</p> <p>EPA issued the Clean Air Interstate Rule on March 10, 2005. This is a cap-and-trade rule which EPA expects to result in NOx and SO₂ reductions of 61% and 73%, respectively, compared to 2003 levels.</p> <p>EPA issued the Clean Air Mercury Rule on March 15, 2005 with an effective date of July 18, 2005. This is a cap-and-trade rule which EPA expects to result in 70% reduction in mercury emissions. This is a controversial rule and is expected to be challenged in court.</p> <p>STAPPA/ALAPCO has raised serious objections to this rule.</p>
11. Purchase of Clean Power	<p>City will consider options for purchase of clean or green power.</p>	<p>General Services and Purchasing will evaluate options.</p>	<p>General Services and Purchasing are working on this issue.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
12. Status of Consent Decree	Monitor status, and consider intervention in EPA enforcement action.	City Attorney's Office and its consultants are monitoring and evaluating this issue.	<p>On December 2, 2005, the U.S. District Court in Alexandria denied the City's motion for leave to amend the complaint under the Clean Air Act. The City's position is that any proposed Consent Decree would be invalid without addressing the National Ambient Air Quality Standards (NAAQS) violations identified in the City's and Mirant's downwash studies. The Court reasoned that considering an amendment to the complaint would be premature until the federal and state government agencies present a revised decree to the City and the court for comment and consideration. The Court will revisit this issue in the event that the revised decree fails to address the NAAQS violations.</p> <p>On March 27, 2006, the City met with EPA, VADEQ and U.S. Dept. of Justice at VADEQ's Woodbridge offices. The City was informed that VADEQ is on a fast track to issue a State Operating Permit to Mirant that will address the modeled NAAQS violations, and that this permit will likely be issued before the consent decree is issued.</p>
13. Stack Height Increase	Monitor status, and consider objecting to any stack height increase if it precludes emissions reductions.	T&ES and City Attorney will track this issue and evaluate implications that the stack height increases may have on reducing ambient impacts and therefore preclude emission	<p>Mirant has applied to the Federal Aviation Administration (FAA) to receive approval for a 50-foot increase in the stack height for each of the five boilers. FAA's role will be to evaluate aviation safety given the close proximity of the plant to the Washington National airport. At the MCMG meeting on May 3, 2005, the MCMG members asked Mirant to provide copies of any communication with the FAA.</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
		<p>reductions.</p> <p>The stack height increase, if approved, will require a SUP from the City.</p>	<p>On October 5, 2005, the City learned that the FAA issued a "Determination of Presumed Hazard To Air Navigation," which concluded that Mirant's proposed 50 foot increase in stack heights would "exceed obstruction standards and/or would have an adverse physical or electromagnetic interference effect upon navigable air space or air navigation facilities," i.e., Washington National Airport (DCA). The Determination notes that "Any height above current structure height would have a substantial impact on . . . operations out of DCA." Mirant has initiated a formal process with the FAA to reverse this determination, and the City has retained an air navigation safety expert to assist the City in opposing Mirant's efforts.</p> <p>Under environmental regulations, new plants are allowed to construct stack heights that follow Good Engineering Practice (GEP) guidelines for avoiding building downwash. However, stack height increases at existing plants are only approved on a case-by-case basis upon consideration of other factors beyond the need to avoid building downwash.</p> <p>In Feb 2005, FAA issued a ruling on Mirant's application approving the 50-foot stack height increase, as long as the stacks are marked and lighted.</p> <p>Petition for review of the FAA's Determination of No Hazard filed March 28, 2006- Improper to account for Mirant's "operational " needs, and ignored helicopter</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
			<p>safety.</p> <p>The increase in stack height will require a Special Use Permit from the City Council.</p>
<p>14. FERC/DOE Proceedings</p>	<p>Intervention to object to restarting power plant.</p>	<p>City Attorney's Office and its consultants are monitoring and evaluating this issue.</p>	<p>On August 25, 2005, an emergency petition was filed by the DC Public Service Commission with the Federal Energy Regulatory Commission (FERC) and Department of Energy (DOE), seeking the restoration of service from the Potomac River Plant. The City, as well as VDEQ, intervened in opposition to the petition. Some 15 other entities, including state regulatory agencies, environmental groups and energy industry participants also intervened on both sides of the issue. On November 17, 2005, FERC removed the petition from its docket, but the matter remains pending before the DOE. DOE has indicated that a decision is forthcoming, but the department has announced no decision date.</p> <p>On Dec 20, 2005, DOE ordered Mirant to operate the plant (up to full capacity, as determined by PJM) if either one or both 230 kV lines servicing the Central D.C. area experience planned or unplanned outage. Under normal situations, DOE ordered Mirant to operate as many units as "feasible" to provide electricity reliability without exceeding NAAQS. DOE asked Mirant to submit a compliance plan within 10 days of this order.</p> <p>On Dec 22, 2005, the City sent a letter to DOE presenting its concerns with the above order and</p>

MIRANT ISSUES TRACKING MATRIX

Area	Actions to be Undertaken	City Role and Responsibility	Status
			<p>sought public participation in the development of the compliance plan.</p> <p>On Dec 30, 2005, Mirant submitted a compliance plan to DOE outlining two operating options: "A" and "B."</p> <p>On Jan 4, 2006, DOE ordered Mirant to implement Option "A" based on Mirant's modeling showing compliance with NAAQS. The City's modeling of Option "A" shows exceedances of the NAAQS. The City has informed EPA and VADEQ of its findings regarding Option "A" which requires operation of at least three boilers at the plant.</p> <p>Supplemental comments filed on March 23, 2006 to DOE by Alexandria, VADEQ and DC Public Service Commission; no schedule yet for DOE response – no justification for emergency and inadequate testing/actions.</p> <p>FERC ordered DCPSC to expedite PEPCO service lines; new lines approved by DCPSC March 6; Summer 2006 completion of 69KV lines, summer 2007 for 230 KV lines.</p>

Updated: 03-31-2006

Moran seeks Mirant disclosure

Power plant refuses to give emissions testing information

By Erika Cotton
Examiner Staff Writer

Alexandria Mayor Bill Euille and Congressman Jim Moran, D-8th, held a press conference Monday in front of the Mirant Potomac River power plant calling on the corporation to release information about trona, a natural powdery substance that the company claims reduces sulfur dioxide emissions.

According to city officials, Mirant tested a trona injection system last fall and released a 20-page report to the U.S. Environmental Protection Agency and the Virginia Department of Environmental Quality in January.

But only three of those pages were released uncensored to city officials.

City officials want the information about the testing to learn whether injecting trona into the coal-burning process will increase the plant's emission of particulate matter, also known as microscopic soot.

"There is no track record for this material and we don't have full information on the testing, so we are challenging Mirant's statement that there is no increase in particulate matter," said city attorney John Britton.

"Even if it works with sulfur dioxide, we want to make sure there's not a throw-off of other pollutants that have increased because of this system."

John Millett, an EPA spokesman, said particulate matter has been scientifically linked to numerous respiratory health problems, including decreased lung function and aggravated asthma.

"It's also been linked to an increase in heart attacks and premature death in people with heart or lung disease," he said.

Donna Heron, EPA spokeswoman for the Washington metropolitan region, said the agency was still evaluating the use of the trona injection system. She could not comment as to the usefulness or danger of the substance.

According to a statement Mirant released Monday, testing has proven that trona successfully reduces sulfur dioxide emissions without posing a risk to the community. But



Rep. Jim Moran, D-Va., at the podium, Alexandria's Vice Mayor Del Pepper and Alexandria Mayor Bill Euille speak at the Mirant power plant in Alexandria on Monday. — Brig Cabe/Examiner

MIRANT PLANT CONTINUES TO OPERATE AT LIMITED CAPACITY

The Mirant Potomac River Generating Station is currently under a Department of Energy order to operate at least one of its five generators full time. The company shut down the plant last fall after a Virginia Department of Environmental Quality report showed that if it operated at

full capacity, its sulfur dioxide, nitrogen dioxide and other particle emissions would exceed federal air quality standards.

VDEQ did not require Mirant to close the plant but requested a solution to the problem.

— Erika Cotton

the company chose not to release the full report because it is considering applying for a patent on the system.

"We have invested substantial time, effort, creativity and money in our process and technology,

and it seems unfair to try to make us disclose that to our competitors before we're ready," Linn Williams, Mirant executive vice president and general counsel, said in the statement.

ecotton@dcexaminer.com

VIRGINIA

Washington Post
12/21/05

Mirant Plant Directed To Expand Reopening

U.S. Cites Chance of Blackout in D.C.

By JERRY MARKON
Washington Post Staff Writer

Federal regulators ordered a further reopening of Mirant Corp.'s troubled Alexandria power plant yesterday, saying the coal-fired facility is necessary to prevent a potential blackout that would leave key parts of the District in the dark.

Energy Secretary Samuel W. Bodman said the plant's shutdown in August because of environmental problems created an "emergency situation" because it is one of only three sources of energy for much of the District. Mirant has reopened the plant on a limited basis, but Bodman said that would not be enough to prevent a blackout if the other two energy sources — two key transmission lines — failed.

Bodman's order requires Mirant to maintain all of the plant's five operating units at peak readiness and run them if other electricity supplies to the District are down. Mirant is currently operating one unit on a limited basis.

"This order will provide the level of electricity reliability necessary to keep Washingtonians safe and our national government running, while minimizing any environmental impact from the power station," Bodman said.

Federal officials acknowledged that it is highly unlikely that both of the transmission lines that provide power to the District would fail simultaneously, but they said at least one of the lines has been down 41 times since 2000 for maintenance or mechanical problems. With both lines out — and no Mirant plant — the resulting blackout would last at least 28 hours and affect areas including the central business district, Georgetown and key federal institutions, officials said.

"That is unacceptable," Kevin Kolar, director of the Energy Department's Office of Electricity and Energy Assurance, told reporters during a conference call yesterday.

The decision drew immediate criticism from activists and officials in Alexandria who have been campaigning to shut down the plant as a health hazard. Neighbors have complained for years about what they believe to be high levels of contaminants emanating from the plant, which also provides electricity to

Maryland but not to Virginia.

"I'm sorry the Department of Energy is not a little more concerned about some of the environmental issues. They're basically saying energy production is more critical," said Alexandria City Council member Andrew H. Macdonald (D). He added that he found one "silver lining: At least they recognize that there is an environmental problem."

Longtime Alexandria resident Elizabeth Chimento, who has helped lead the effort against the plant, said she is "very concerned. For 30 years, the neighborhood surrounding this plant has been impacted by very serious pollutants, and even one more day jeopardizes our health."

But the D.C. Public Service Commission portrayed the Energy Department's action as vital to supporting the Washington power grid. The commission's petition, filed with federal regulators, led to yesterday's action.

"We think the Department of Energy has done what is minimally necessary to protect the electric reliability of the District," said Richard Beverly, the commission's general counsel.

Steve Arabia, a spokesman for Mirant, said the company is reviewing the order and will work with federal regulators to develop "the most feasible compliance plan." Mirant has 10 days to submit a report detailing how it will comply with the order.

Mirant decided Aug. 24 to shut down the plant in response to an order from Virginia officials to cut potentially harmful pollution. The directive by the state Department of Environmental Quality came after the agency reviewed an analysis that showed that some pollutants in the plant's vicinity were sometimes present at levels considerably higher than federal rules allow.

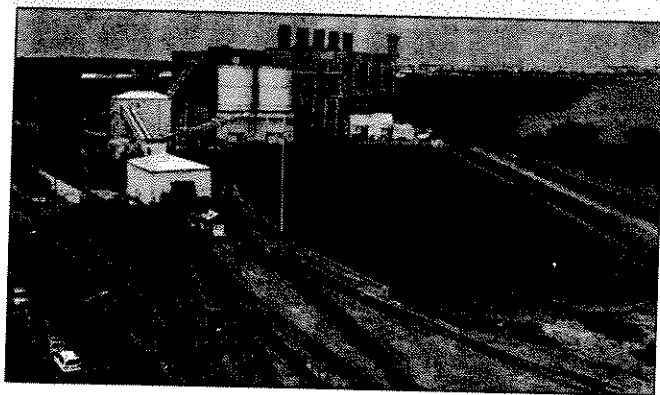
Virginia officials did not object to the limited reopening in September, and they are monitoring Mirant's efforts to solve the environmental problems and reopen the plant full time.

Bill Hayden, a Department of Environmental Quality spokesman, said the agency will review yesterday's federal order. "We really don't know yet what specific air quality issues there might be," he said.

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12/29/06

Washington



BY GERALD MARTINEAU — THE WASHINGTON POST

The Potomac River power plant opened along the river in 1949.

Consider the Environment

The reduced energy production at Mirant Corp.'s Potomac River power plant in Alexandria has not, as Peter Behr claimed, "left the District in a fragile position" ["Powerless," Outlook, Dec. 11].

Since the plant's closing in August, the region has endured heat waves, hurricanes and snow while functioning perfectly well without this supposedly essential source of electricity.

Mr. Behr barely mentioned the environmental threat posed by the Mirant plant, only describing the possible "environmental tragedy" of an improbable power failure at the Blue Plains waste treatment plant. For decades

Mirant has produced power for Maryland and the District and toxic downwash for Alexandria residents. As an athlete who passes the plant daily, either rowing or running, I have noted with alarm how the plant's even temporary closure tangibly improved the air quality.

Rather than make apocalyptic statements about the region's energy supply, we need to look for an environmentally sound solution to the energy problem. Environmental responsibility and electricity production do not need to be mutually exclusive.

ABBY MARTIN
Alexandria

Protecting the Constitution

Richard Cohen's Dec. 15 op-ed, "Star-Spangled Pandering," criticized Sen. Hillary Rodham Clinton (D-N.Y.) for her support of a federal statute making the burning of the American flag a crime in certain instances. But enactment of a statute may be the only way to prevent Congress from setting in motion a process to amend the Constitution.

Although I oppose both the statute and the amendment, the statute is a more flexible mechanism that can be modified if law enforcement agencies

urge Congress to make prosecution of this infrequent event discretionary. If Mrs. Clinton's support leads to a federal law, I consider this to be a victory worth praising, not an act to be condemned.

Mrs. Clinton's position on this issue also is not new. She declared it during her campaign for the Senate.

Flag burning is an emotionally charged issue, but Mrs. Clinton has been steadfast in working toward a solution that is at once constitutional and in line with her long-standing beliefs.

We should applaud, rather than attack, elected officials who show such courage.

BOB KERREY
New York

The writer is president of the New School in New York and a former U.S. senator from Nebraska.

Tom Toles
is away.



Realizing Trade's Benefits

Regarding the Dec. 17 Business article "World Bank Reconsiders Trade's Benefits to the Poor":

Our estimates of trade's benefits have changed since 2001, partly because new data have become available. These data incorporate the effects of trade reforms in countries such as China and Vietnam and the phasing out of quota arrangements on textiles and clothing. In previous estimates, these effects were included as gains. Now we incorporate them into the baseline because they already have been realized. That's why we estimate the income gains from full merchandise trade liberalization for the world to be between \$290 billion and \$460 billion in 2015, large gains but lower than before.

Effective trade reforms rarely occur in isolation; they almost always are embedded in larger reform efforts that stimulate growth. That's the importance of supplementing a global trade initiative with increases in development assistance aimed at overcoming infrastructural and institutional obstacles that prevent new trade.

In sum, the World Bank is not "reconsidering the benefits of trade for the poor." Rather, it is trying to help the international community realize the potential of the Doha round in particular and trade in general.

URI DADUSH

Director
International Trade Department
World Bank

Washington

The Washington Post

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PHILIP L. GRAHAM, 1915-1963
KATHARINE GRAHAM, 1917-2001

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Energy Dept. says Mirant can operate at full power...for now

11/12/06
Alex.
Times

By CARLA BRANCH
Alexandria Times Staff Writer

Just as Mirant's lawsuit against the city begins in Alexandria Circuit Court, the Mirant Potomac River Power Plant on Alexandria's waterfront is once again fully operational...at least until the end of the month.

Mirant filed the suit last year after the city changed the power plant's status from a "nonconforming use" to a "noncomplying use" and gave Mirant a limited amount of time in which to close the facility entirely.

On Tuesday Mirant presented its case, consisting mostly of video clips from City Council meetings concerning the plant that have been held over the past two years. City Attorney Ignacio Pessoa said that, after Mirant concluded its case, the city's case began with testimony from Eileen Fogarty, director of planning and zoning, and continued with Elizabeth Chimento, a civic activist who has done exhaustive research into Mirant's violations of environmental laws.

The case is expected to continue through the week.

The Potomac River power plant had been operating only one of its coal-fired units since September, while installation of pollution-control equipment was completed. Now, because of a request from the Potomac Electric Power Company, all units are ready to go.

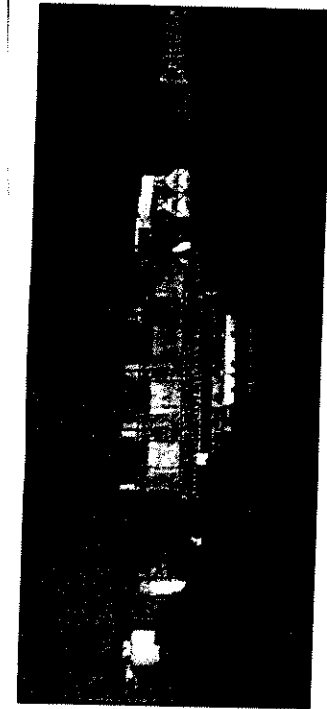
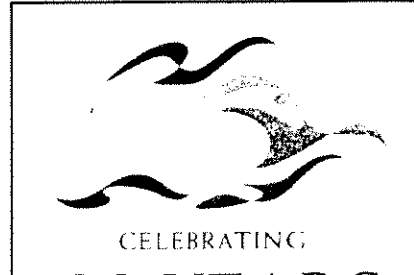
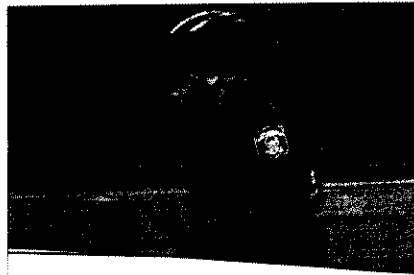
Pepco asked the U. S. Department of Energy to order the plant to be ready to operate its three base units because of Pepco's need to repair two high-voltage lines. Mirant will supply the power needed while these lines are

down. Repairs are expected to be completed by Jan. 29.

The Virginia Department of Environmental Quality (DEQ), the

See MIRANT, Page A14

NEWSM



Alexandria Times Staff Photo/Bob Lennox

Mirant Potomac River Power Plant

public process" before any consideration is given to reopening the plant. "...all documents and related material, particularly any operational plan claiming compliance with the Clean Air Act, should be available for public review and scrutiny," he said in his own letter to Secretary Bodman. "I can appreciate the predicament the Department confronts when measures to protect human health conflict with power reliability and continuity of government. While an emergency may exist, as the Department defines that term, I take exception to the order's proposed remedy. It fails to identify miti-

gation measures necessary to protect public health; it fails to balance its mandate to generate power with a mandate to reduce demand; and it fails to resolve reliability issues that still exist given the vulnerability of the substation."

All the Virginia Department of Environmental Quality can do is monitor. "It is very important that the Potomac River Plant operate in a way that does not endanger the health of Alexandria residents," said Robert Burnley, director of DEQ. "We believe Pepco's decision to require power production at this time - before new pollution control measures are in place - does not adequately consider the health of people living near the plant."

MIRANT

From Page A1

City of Alexandria and Representative James P. Moran (D-8) appealed the decision to no avail.

"The planned outages will result in the operation of the Mirant Potomac River Generating Station prior to any review or implementation of the pollution control installation schedule required by the Department of Energy order of Dec. 20, 2005," John Britton, the city's attorney for this matter, wrote in a letter to Samuel Bodman, Secretary of Energy.

"This will ensure violations of the National Ambient Air Quality Standards (NAAQS) at the excessive levels that existed prior to the closure of the Plant in August, 2005."

This is a flagrant violation of the DOE order which prohibits the Potomac River Generation Station from causing or significantly contributing to any exceedance of the NAAQS."

Moran asked for an "open

Study links Md. power plants to 700 deaths nationwide

Association backs clean-air proposal

BY ALEX DOMINGUEZ
Associated Press

BALTIMORE — Emissions from six Maryland power plants are responsible for about 700 premature deaths nationwide, including 100 in Maryland, according to a report released Wednesday by the Maryland Nurses Association.

The association, which is supporting one of two competing clean-air proposals pending before state lawmakers, announced the findings along with officials from several other health and environmental groups that are supporting the Healthy Air Act.

Jonathan Levy, the Harvard University School of Public Health assistant professor who conducted the study, said he used previous research to estimate the health impact of the six plants based on 2004 emissions estimates and census data.

In addition to the premature deaths, emissions from the plants can be linked to 30,000 additional asthma attacks, including 4,000 in Maryland, Levy found.

While admitting there are numerous uncertainties in such an analysis, the study said the findings were reasonable estimates. The report also does not recommend any specific solution, but it does "provide some helpful data



AP file photo

A study by the Maryland Nurses Association links emissions from Maryland power plants with 30,000 asthma attacks.

that could be used to inform decision-making," Levy said.

American Lung Association of Maryland President and CEO Steve Peregoy, who participated in a conference call to announce the results, said "the bottom line is the air quality in Maryland still needs to be improved.

"We have clearly identified the problems related to poor air quality. I think our focus really now needs to be on the solutions."

Three of the six power plants are owned by Constellation Energy, the parent of Baltimore Gas

& Electric, and three are owned by Mirant, an Atlanta-based wholesale energy marketer emerging from bankruptcy protection.

BGE owns the Brandon Shores plant southeast of Baltimore, the Wagner plant in Anne Arundel County and the C.P. Crane plant in Baltimore County. Mirant owns the Dickerson plant in Montgomery County, the Herbert A. Wagner plant in Anne Arundel County and the Morgantown plant in Charles County.

Five of the plants are solely coal-fired while Chalk Point has

both coal and oil units, said Eric Schaeffer, director of the Washington-based Environmental Integrity Project, who participated in a teleconference to announce the report.

In November, Gov. Robert Ehrlich proposed a clean-air measure that would not affect carbon dioxide emissions from the six power plants. Earlier this month, the governor said he would support a weakened version of the Healthy Air Act proposed by lawmakers, versions of which are pending in the state House and Senate.

Environmental breakthrough

Shopping cart

Stacks Can Grow, FAA Says, Making Foes of Plant Fume

Bid to Shut Mirant's Alexandria Site Takes a Hit

By LEEF SMITH
3/9/06
Washington Post Staff Writer

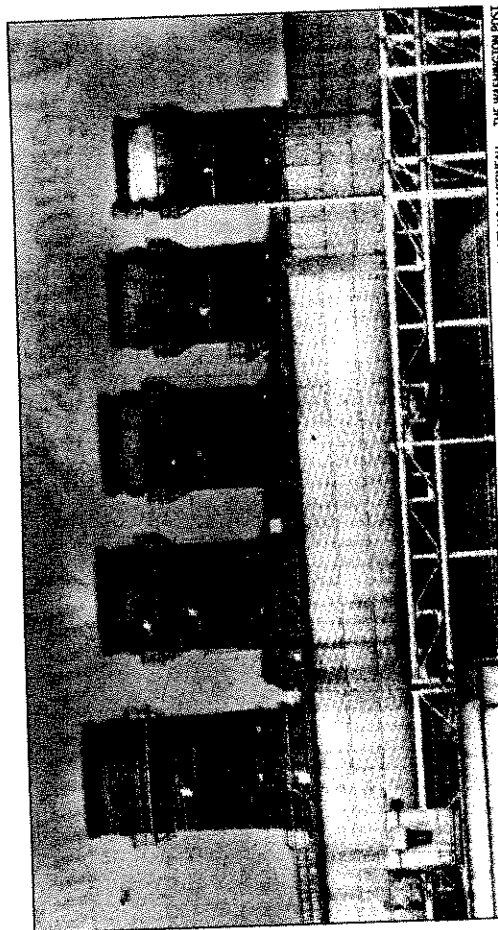
The Federal Aviation Administration has given a green light to a plan to raise the height of smokestacks at the troubled Mirant power generating station in Alexandria, ruling that the change would pose no risk to Reagan National Airport's flight operations.

Mirant officials have said that increasing the height of the plant's five smokestacks by 50

feet could help to remedy the environmental violations that forced the plant to shut down temporarily in August. The plant, on the banks of the Potomac River, provides electricity to hundreds of thousands of customers in the District and Maryland. It does not serve Virginia.

The FAA's ruling, issued last month, dealt a blow to opponents of the plant who have been battling for years to have the facility, a docu-

See MIRANT, Page 24

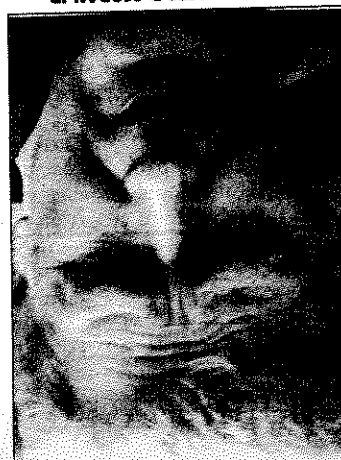


BY GERALD MARTINEAU — THE WASHINGTON POST

Mirant officials say that increasing the height of the plant's smokestacks by 50 feet could ease the facility's pollution problems. The FAA ruled that the change would pose no risk to aircraft.

Mirant Smokestacks Can Be Taller, FAA Says

U.S. REP. JAMES P. MORAN JR.



ACTIVIST ELIZABETH CHIMENTO



[the objects] will interfere with navigation. In this case, it was found to be clearly not a hazard."

The FAA has said that Mirant will have to clearly mark and light the stacks if the heights are increased.

U.S. Rep. James P. Moran Jr. (D-Va.) was one of many opponents of the plant who signaled victory in August after a study found that some pollutants in the vicinity of the coal-fired plant considerably exceeded national standards. As a result of the study, the plant was voluntarily, temporarily shut down.

"This is the worst stationary source of pollution in the Washington area, and here it is under our noses," Moran said. "The EPA should be giving us some help regarding the fact the administration is in bed with the power companies. We're disappointed in the FAA's decision, but more important, we're frustrated with Mirant continuing to try to reopen this plant."

During the stoppage, Mirant officials told Virginia's Department of Environmental Quality that they might be able to correct some of the plant's problems, possibly by increasing the stack height, which would dilute the polluted downwash from the facility's emissions.

In September, before any changes were made, the plant reopened on a limited basis. In December, the U.S. Department of Energy ordered Mirant to step up operations, saying the plant's energy was necessary to prevent a blackout in the District.

Moran said he took comfort in the planned construction of a power transmission line across the Potomac, which he said would make the Mirant plant unnecessary. Additionally, he said that the Alexandria City Council will have the last word on whether Mirant can raise its stacks, which would require a special-use permit.

"We still have a trump card," Moran said.

mented polluter, shuttered. "We're just amazed" at the FAA ruling, said Alexandria City Attorney Ignacio Pessora. "Surprised and shocked and outraged."

Pessora said that the city plans to petition the FAA to reconsider its decision, which he and other critics characterized as a reversal of a September determination in which the FAA said taller stacks at the Mirant plant were a "presumed hazard."

"It's a shameless acquiescence to Mirant's operational needs," said Elizabeth Chimento, who has helped to lead the campaign against the 56-year-old plant. "Before, they said [taller stacks] would be a hazard, and they reversed that decision. Now they've reversed that decision. That speaks to me that this is really a political decision."

Mirant spokesman Steve Arabia declined to comment for this report except to say that "we're pleased that the FAA has made its final decision." FAA officials insisted that their Feb. 26 decision was not a reversal. They said that the position they had taken in September was that any increase in stack height would require an investigation to determine whether the change would pose a risk to air travel.

FAA spokesman Paul Takemoto said that the agency's latest investigation was undertaken after Mirant asked the agency to consider the impact of extending the tops of the stacks from 214 feet above ground level to 264 feet.

"Some community activists thought we were reversing ourselves, but we're not," Takemoto said. "When an object is a certain height and distance from an airport, it's presumed to be a hazard. That requires us to go in and see if it is a hazard. We looked at this purely in aeronautical terms and whether

Mirant Gets Fishy Award From Sierra Club

Sierra Club on the march to stop mercury pollution.

3/9/06

BY CHUCK HAGER
GAZETTE

This is a real fish story. Mirant's Potomac River Generating Station at the north end of Old Town Alexandria really did land a big one Tuesday morning. And, it even came with a certificate of recognition.

It was all compliments of the Virginia chapter of the Sierra Club and their state push to "stop mercury pollution and protect the health of Virginia's families." Joshua Low, Chapter Conservation Organizer for Virginia's Sierra Club, presented the Mirant, coal fired power plant with the "Big Mercury Polluter Award."

Standing outside the plant, adjacent to Marina Towers, 501 Slaters Lane, Low and Alexandria resident, Ernie Lehmann, initiated a giant fish to symbolize aquatic life being impacted by mercury pollution, according to Sierra Club research. Sierra Club considers the Mirant plant "a large mercury polluter."

As part of their efforts to bring attention to the mercury pollution problem, they have initiated the "Keep Me Mercury Free Road Trip." It highlights the dangers of ingested mercury to unborn children. At each stop on their journey a certificate is presented to the organization they consider to be contributing to the pollution.

Tuesday morning, following inflation of the fish balloon, a certificate was presented to Mirant. It read: "Keep Me Mercury Free Road Trip, Big Mercury Polluter — It's Time to Clean Up. This certificate is Awarded to Mirant Power Plant, Alexandria."



PHOTO BY LOUISE KRAFFT/GAZETTE

Ernie Lehmann and Mount Vernon Chapter Sierra Club member, Dick Kennedy join Sierra Club, Virginia Chapter Conservation Organizer Joshua Low at the foot of the Mirant Plant at the end of Slaters Lane in Alexandria.

According to Sierra Club findings "One in four women who were tested in Virginia had enough mercury levels in her body to put a baby at risk for neurological development problems, such as mental retardation. The Mirant Power Plant put more than 70 pounds of toxic mercury into the air."

In their release announcing the road trip, the Club said "The largest single source of mercury pollution is coal fired power plants. The Sierra Club is calling on Governor Kaine to protect Virginia's families by cleaning up these old, dirty power plants."

tation at Thomas Jefferson Library in Falls Church explaining the organization's concerns relative to mercury pollution.

RECENTLY RELEASED RESULTS of the nation's largest mercury hair sampling project by the Environmental Quality Insti

(1 of 2)

NEWS

Fishy Award

FROM PAGE 3

tute, University of North Carolina-Asheville, found mercury levels exceeding limits in women of childbearing age. More than 6,000 women from all 50 states of all ages participated in the tests conducted by Greenpeace and the Sierra Club.

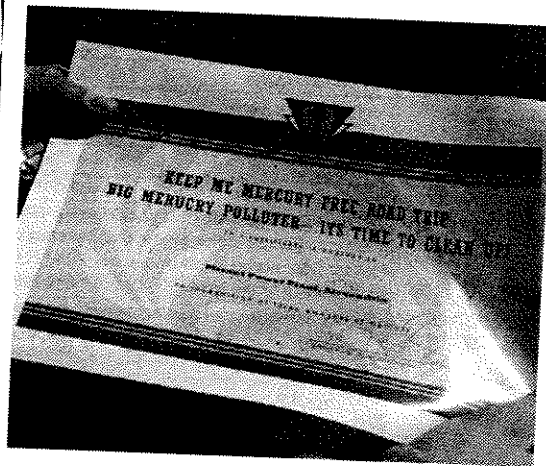
"I teach my children that if you make a mess, you need to clean it up," said Sierra Club's Elizabeth Keeler. "The same should hold true for polluting power plants. This study should be a wake-up call for Virginia."

Coal burning power plants are the nation's largest source of mercury pollution, releasing 42 percent of the country's industrial mercury pollution, according to Sierra Club research. Mercury from dirty power plant emissions falls into lakes, streams and oceans, contaminating fish and shellfish, which are then consumed by people, the Club maintains.

"In the samples we analyzed, the greatest single factor influencing mercury exposure was the frequency of fish consumption," said Dr. Steve Patch, co-director EQI

and co-author of the report. "We saw a direct relationship between people's mercury levels and the amount of store-bought fish, canned tuna fish or locally caught fish people consumed."

**Mirant's
Big Mercury
Polluter
Award**



(2 of 2)

NEWS

City to Challenge FAA on Mirant Stacks

Will taller smokestacks really change anything?

BY CHUCK HAGEE
GAZETTE

A recent determination by the Federal Aviation Administration that an increase in the height of the smokestacks at Mirant's Potomac River Generating Station poses no hazard to operations at Reagan National Airport may inadvertently give Alexandria a second chance at using zoning to shorten the operating life of the plant.

Any increase in the height of the stacks would require Mirant to come back through the zoning process to be granted a Special

Use Permit to undertake the corrective measures, according to some analysts. This might present an opportunity for the City to again challenge the plant's operations.

In December, Alexandria Circuit Court found in favor of Mirant when it challenged a decision by the Planning Commission, upheld by City Council, in the revocation of a previously approved SUP and the change of status of Mirant administrative office building. But, this could come into play only if Mirant decides to increase the height of their smokestacks.

The smokestack height issue was triggered by an FAA decision issued February 26 which determined that raising the stacks by 50 feet would pose "no hazard to air navigation." This would take the stacks from their present height 164 above ground level to 214 feet above ground level or, considering the river, from 197 feet above mean sea level to 247 feet above mean sea level.

According to the FAA announcement, which was issued out of their Fort Worth, Texas, office, "The Federal Aviation Administration has completed an aeronautical study" which has "revealed that the structure (Mirant smokestacks) would have no substantial adverse effect on the safe and efficient utilization of the navigable airspace by aircraft or on the operation of air navigation facilities."

However, FAA also stated, "This determination is subject to re-

view if an interested party files a petition on or before March 28, 2006." Their decision does not become final until April 7.

They also said, "This determination concerns the effect of this structure on the safe and efficient use of navigable airspace by

aircraft and does not relieve the sponsor of compliance responsibilities relating to any law, ordinance, or regulation of any Federal, State, or local government body."

It has been determined by Alexandria that there will be an objection filed, according to

City Attorney Ignacio B. Pessoa. It is just a matter of when given the March 28 deadline.

"We submitted comments to the FAA and their original determination was that the

present stacks pose a danger. Therefore, we

are a little surprised that a Texas office of FAA made a decision an additional 50 feet poses no danger. We are also very curious as to why this came out of Texas," Pessoa said.

"We are also very curious as to why this came out of Texas."

— Alexandria City Attorney
Ignacio Pessoa

3/19/06

SEE MIRANT, PAGE G1

(1 of 2)

City to Challenge FAA on Mirant Stacks

FROM PAGE 3

U.S. Rep. James P. Moran also questioned the FAA rationale. "The Potomac Plant was blocked from constructing tall smokestacks when it was first constructed under National's flight path in 1949, and I don't know what circumstances have changed since that would allow them to be raised today," Moran said.

ONE OF THE ORIGINAL ADVOCATES for closing the Mirant plant and an ongoing activist in the battle, Elizabeth Chimento, wrote a letter to FAA Obstruction Specialist William E. Merritt questioning the FAA determination.

"In April 2005, I spoke with you about Mirant's application to increase stack height. I was told that airplane safety was the FAA's only concern and that the serious environmental issues here in Alexandria regarding the plant are not a basis of FAA deliberation," Chimento reminded Merritt. Referring to the FAA comment

in their determination that they had attempted negotiations with Mirant over the smokestack height issue, Chimento challenged Merritt on his statement that flight safety was FAA's only concern.

"In view of your April statement" claiming flight safety as the FAA only concern "why was there negotiation with the plant at all? Also why was the plant's 'need to meet future operational needs' considered at all if airplane safety is the only criterion for FAA decision making?" she wrote.

"Finally, since the plant's needs were considered in the FAA decision, then why weren't the serious environmental issues compromising Alexandrians' health also taken into account?" Chimento asked Merritt.

She closed with, "I await your response." That remains the case.

ON NOV. 7, 2005 Merritt had called for input from any interested parties pertaining to the aeronautical study to be undertaken by the FAA concerning Mirant's smoke-

stack height. In that "Public Notice" Merritt emphasized, "To be eligible for consideration, comments must be relevant to the effect the structure would have on aviation" and be received "on or before Dec. 14, 2005."

One individual who took him up on the offer was Harold W. Becker, president, Hal Becker Inc. of Alexandria. In his comments to Merritt some of the points made by Becker were:

- ✦ Aircraft operations in the airspace controlled by DCA are severely constrained by restricted airspace and noise abatement procedures. Any further encroachment into that airspace results in loss of navigable airspace.

- ✦ The initial FAA study found that increasing the height of the stacks would require an increase in the climb gradient for departures from DCA runway 19 to meet required obstacle clearance standards. Forty percent of flights use runway 19.

- ✦ Increasing the height of the stacks "has a high probability of causing interference with air traf-

fic control radar" and other navigational instruments.

- ✦ The increased climb gradient would likely result in an increase in aircraft noise south of the airport.

- ✦ If Mirant's proposal is approved "it could encourage future proposals by Mirant to add more height" to the stacks or open the door to other entities for construction project that might further limit operational airspace.

- ✦ Under safety issues he cited consideration for low flying aircraft such as helicopters on emergency response missions in adverse weather and the possibility of pilot distraction during the critical phases of takeoff and landing.

Becker emphasized, "Alexandria strongly opposes any increase in the height of the emission stacks." The next step is once again up to the city to take action prior to the March 28 deadline.

Although several calls were made to Mirant spokespersons for comment there was no response to call back requests.

(2 of 2)

Mirant "Trona" Report Challenged

Alexandria and
Mirant lock horns
over censored report.

3/23/06 CHUCK HAGGE
COURT

What is Mirant hiding this time? That was the prime question leveled by U.S. Rep. James P. Moran (D-9) and Alexandria Mayor William D. Euille in response to Mirant's report on its "Trona Injection Tests." Seventeen of the 21 pages in the report were blacked out.

Standing in the shadow of Mirant's five-stack Potomac River Generating Station, Monday morning, Moran kicked off the joint press conference. "The reason we are here today is because we got a report that was less than informative. When you get a report that is blacked out page after page it makes you wonder. Something is amiss here. Mirant has not earned our trust."

The report dealt with injection tests at the north Old Town, 50-year-old, coal-fired power plant of a substance known as "trona." According to the report, "The purpose of these tests was to determine the capability of dry injection of trona to achieve substantial SO₂ removal from the stack discharge, and the determination of other operating impacts from the trona injection, if any."

The tests were conducted between November 12 and December 23, 2005. According to the redacted "Business Confidential" report released March 1, Mirant claimed "in summary high SO₂ removal from trona injection was demonstrated across the load range, and across various operational parameters. No adverse effects were seen from the trona injection."

From that statement on page 4 through

page 20 of the report everything is blacked out. "We appealed to them to let the City determine if this test is working. Trona is a system that is not widely used. There is no comparison data," Moran said.

"Mirant's response was 'Trust us.' We can't do that. For years they said they were using low sulfur coal. That turned out to be not true. They say one thing to us and do another. We insist that before the Virginia Department of Environmental Quality makes any recommendation on the use of trona, the results and data must be available to the City," Moran said.

Alexandria Mayor William D. Euille told the crowd assembled at Third and Fairfax streets, "We are not giving up. We will never compromise our position. We will continue to protect the citizens of this City."

Euille accused Mirant of "putting business interests ahead of the public health. The EPA (U.S. Environmental Protection Agency) has determined this plant poses a serious health hazard."

Alexandria Vice Mayor Redella "Del" Pepper said, "Mirant should be embarrassed to release such a report. Now is the time to close this plant."

City Councilman Paul Snedberg who serves as co-chair of the Environmental Committee noted, "Trona increases danger to our particulates" and "Trona is not being trustworthy in producing accurate study results. Only public scrutiny prevented their downwash cooking their data."

He said in reference to the study analyzing the effects of emission pollutants on nearby high-rise buildings such as Marina Towers, "Snedberg called Mirant's offer to share profits from their trona trials with the City outrageous. This is a public health issue, not a corporate profit issue. Their offer is insulting."

His indignation arose from the final paragraph of a Mirant news release issued Monday.



Neighbors hold up placards as U.S. Rep. James Moran addresses the press conference on a Mirant test report. To his right is Vice Mayor Redella Pepper. Behind him from left are Mayor William Euille, Councilman Andrew Macdonald and Councilman Paul Snedberg.

day morning prior to the press conference from the City "is confidential, competitive sealing. If the technology works we'll agree to share with the City of Alexandria any money we make from it."

City Councilman Andrew Macdonald interrupted this as, "They are trying to do something on the fly. That's exactly why we cannot trust them."

ALL OF THIS BROUGHT AN ANGRY response from Mirant's Executive Vice President and General Counsel S. Linn Williams.

"Mirant has provided to the City of Alexandria full disclosure of all emissions and ground level concentrations that have resulted from our testing of innovative new technologies at the Potomac River plant," Williams said.

"We have provided all information to the EPA and the Virginia DEQ (Department of Environmental Quality)," Williams said. He maintain the only information withheld

SEE MIRANT PAGE 17

(1 d2)

NEWS

Mirant "Trona" Report Challenged

FROM PAGE 3

Williams further accused City Council of "more interested in fights than in reducing emissions" of wasting "nearly \$1 million of the taxpayers' money on law suits and political harassment" and in "destroying the value of private property so that it can be turned over on the cheap to developers."

HOWEVER, AS NOTED by Euille at the press conference and by City Attorney Ignacio Pessoa during a speech to the Northeast Citizens Association "Mirant's own documentation has described this plant as "obsolete" when they were trying to reduce their tax assessment from \$200 million to \$20 million, and shift their rightful burden onto the residents."

Pessoa also countered Williams' claim of the City's legal expenditures by noting, "Mirant often spends wildly in an effort to clean up messes it has made. After a disastrous entanglement with Enron, the company incurred more than \$85 million in lawyers' fees and expenses."

He also pointed out, "According to California's Attorney General, Mirant "profited by plundering the people of California" during the state's energy crisis.

Charging Mirant with "breaking the law" and engaging in "manipulative and fraudulent schemes," the state sued the company - a suit the company eventually settled by paying \$750 million."

Pessoa told the civic association, "In 2005, a year

in which it posted a \$1.3 billion loss, Mirant spent \$17 million on lawyers and accountants in its bankruptcy proceedings; reports of the total tab in the multi-year bankruptcy exceeded \$300 million."

He went on to expose "hurtful environmental and health impacts of Mirant plants" in Maryland, Massachusetts, New York State and the Philippines.

"Mirant's hardened indifference to the people of Alexandria remains evident. Mirant said in one document that people with severe asthma don't exercise enough to feel the harmful effects of sulfur dioxide. Such a cold statement reflects the views of the leadership at Mirant and is insulting to individuals and families struggling with asthma and other respiratory illnesses," Pessoa said.

"Mirant is paying the lawyers and lobbyists, but we are paying the price. For Mirant this is just business as usual," he said.

ON MARCH 15 Alexandria filed a Freedom of Information Request with Virginia DEQ. In making that request, attorney John B. Britton, Schnader Harrison Segal & Lewis, stated, "Mirant has not and cannot show how such limited dissemination jeopardizes any of its business and trade interests. It is contrary to the public interest for Mirant to withhold the Trona Report by merely declaring it confidential."

Both Elizabeth Chimento and Poul Hertel were recognized by Moran and Smedberg for initiating the Mirant investigation four and a half years ago.

"They based their original studies on science, not on politics," Smedberg said.

(2702)

washingtonpost.com

Mirant Plan Breaks Emission Cap

Proposal to DOE Envisions Plant Slightly Breaching Limits

Advertisement

By Jerry Markon
Washington Post Staff Writer
Thursday, January 12, 2006; VA03

Mirant Corp. is proposing to increase operations at its troubled Alexandria power plant by using a method that the company acknowledges would trigger emissions that exceed federal air quality standards.

Meanwhile, Virginia officials raised environmental concerns last week about a planned power-line outage that would force the plant to operate at close to capacity for nearly two weeks to compensate for the out-of-service line. The line outage, which state officials said could cause air quality problems in Alexandria because of the increased plant activity, was scheduled to begin yesterday.

The developments were the latest in a flurry of government activity over the plant, which the city and neighbors are campaigning to have shut down as a health hazard. The coal-fired facility briefly closed in August because of environmental problems but reopened on a limited basis the next month. Then, last month, the U.S. Department of Energy ordered Mirant to step up operations, saying the plant's energy is necessary to prevent a blackout in the District.

To comply with the federal directive, Mirant recently filed a response in which it told federal regulators that it favors what it called Option B to increase production at the plant. Under the plan, the company would operate three of the plant's five units continuously and the other two units one day per week for eight hours. Only one unit is operating, and that on a limited basis.

The company said that under Option B, emissions from the plant probably would exceed air quality standards for the pollutant sulfur dioxide. But Mirant said the level would be only marginally above the limits and would not affect public health.

"Mirant believes that the most effective way of balancing the competing demands of electric system reliability, environmental stewardship and good engineering practice is Option B," the company said in the filing with the Department of Energy.

In response, the department told Mirant last week to temporarily proceed with a modified start-up plan, which the company said would not cause the plant to exceed air quality standards, while the federal government investigates the matter. The department said Option B is still under consideration, along with other possibilities.

Mirant's proposal angered city officials and activists. Neighbors have complained for years about what they believe to be high levels of contaminants emanating from the plant, which also provides electricity

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to Maryland but not to Virginia.

"We've been down this road before," said Mayor William D. Euille (D). "What Mirant really needs to do is clean up their act and provide the protection for the environment and the community and plan a strategy to shut down completely."

Longtime Alexandria resident Elizabeth Chimento, who has helped lead the effort against the plant, said Mirant's plan was "hastily conceived" and "demonstrates a lack of serious concern for the health effects at stake, determining instead that the plant must run, regardless of public health consequences."

Steve Arabia, a Mirant spokesman, said the company is simply "complying with the order from the Department of Energy."

Mirant decided Aug. 24 to shut down the plant in response to an order from Virginia officials to cut potentially harmful pollution. The directive by the state Department of Environmental Quality came after the agency reviewed an analysis that showed that some pollutants in the plant's vicinity were sometimes at levels considerably higher than federal rules allow.

Last month, U.S. Energy Secretary Samuel W. Bodman said the plant's shutdown had created an "emergency situation" because it is one of only three sources of energy for much of the District.

Bodman said the plant's reopening on a limited basis is insufficient to prevent a blackout if the other energy sources -- two transmission lines -- were to fail. Such a blackout, officials said, would last at least 28 hours and affect areas including the central business district, Georgetown and key federal institutions.

Bodman's order requires Mirant to maintain all of the plant's five units at peak readiness and run them if other electricity supplies to the District are down.

Federal officials acknowledged the unlikelihood of both the transmission lines to the District failing simultaneously, but they said that at least one of the lines has been down 41 times since 2000 because of maintenance or mechanical problems.

As an example, Pepco was planning last week to temporarily take down one of the lines for routine maintenance starting Monday, requiring the Mirant plant to temporarily operate at or near capacity. The Virginia Department of Environmental Quality strongly protested the move, telling federal officials that the plant was not ready and that not enough environmental safeguards were in place.

"We expect it will result in significant air-quality problems," Bill Hayden, a DEQ spokesman, said in an interview. "Our number one concern from the beginning has been to protect air quality in the Alexandria area."

But Pepco said it planned to go ahead with the outage. "You have to take these lines down every so often to do the required maintenance to maintain their reliability," said Robert Dobkin, a Pepco spokesman. "There is too much risk here, to the city and to the federal government, not to do that."

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